

Keefe Commissary Network



Response to RFP# DOC1212- COMMISSARY



Delaware Department of Correction *Professional Services Request for Proposal Commissary Services*

Submitted by:

Keefe Group
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Edison, NJ 08837
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Contact: Jeff Harris
Group Vice President
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Submitted: November 13th, 2012

Submitted to:

Department of Correction
245 McKee Road
Dover, DE 19904
Attn: Ms. Erika Martine-Duquette





Keefe Commissary Network

November 13, 2012

Ms. Erika Martine-Duquette
Purchasing Services Coordinator
Delaware Department of Correction
245 Mckee Rd.
Dover, DE 19904

Dear Ms. Martine-Duquette,

Thank you for giving Keefe Group the opportunity to submit a response to Contract No. DOC1212-COMMISSARY. We value the partnership we had with the Baylor Women's Correctional Institution, and hope to expand that relationship to the entire DE DOC. We have read the RFP, meet and exceeded all requirements, and take no exceptions to the requirements set forth in this RFP. We have taken this rebid opportunity to make significant changes to our previously proposed solution, and look forward to the opportunity to serve DE DOC again.

Keefe Group has been servicing the corrections industry since 1974. Keefe Commissary Network (KCN), a division of Keefe Group, was started 1993 and services facilities that outsource their commissary operations. KCN is now the leader in outsourced commissary and partnered with over 760 correctional facilities with populations ranging from 25 to 87,000+ and totaling over 500,000 inmates in 43 states. At the state level, KCN manages over 195,000 inmates and over 98% of the entire outsourced population of all state DOC's. We maintain excellent partnerships with our customers, including the states of FL, VT, AZ, VA, MS, MA, RI, WV, ID, and ME. We were also recommended for award for commissary services and inmate banking for the Maryland DPSCS. No other vendor has the breadth of experience and resources to handle your commissary operations, and please refer to Attachment "A" of this proposal to view additional references.

In this proposal, KCN is offering the Delaware Department of Corrections a customized solution for commissary operations at each DE DOC facility. KCN is giving the DOC options in its proposed operational plan to find a solution most suitable for each individual DOC facility.

| | |
|----------------------------|---|
| Proposer Company Name: | Keefe Commissary Network LLC (KCN) |
| Address: | 301 Mill Rd. Edison, NJ 08837 |
| Tax ID Number: | 43-1856999 |
| Proposer's Contact Person: | Jeff Harris |
| Title: | Group Vice President |
| Telephone #: | 732-509-0126 Office Direct / 908-623-6708 Mobile |

During the term of the contract Keefe Commissary Network will at no time perform activity outside of the United States which is related to this proposal contract.

Enhancements to KCN's Previous Proposal

- *KCN is offering **multiple operational plans and options** to the DOC facilities to meet the individual needs of each facility.*
- *KCN has **significantly lowered its proposed pricing** to the Delaware Department of Corrections.*
- *KCN is offering James T. Vaughn a **bulk commissary purchase for technology option** as part of this proposal – an option to receive the benefit of KCN technology while continuing to operate the commissary in-house.*
- ***Video visitation** is available to the DOC through further negotiations.*
- *KCN has highlighted our **grievance module** on the Edge® Housing Unit Kiosks utilizing our Offender Communication Center.*
- ***KCN has included our Cash Release Kiosk** (A kiosk which dispenses exact trust fund balances in cash and coins by scanning a release receipt)*
- *KCN has provided over **50 pages of sample reports** which include payroll reporting.*
- *KCN has provided more **in-depth operational and technical transitional plans**.*
- *More in depth **inmate accounting software information** to include sample screen shots of our software capabilities.*
- ***Bail module and deposit by purpose** services are being offered through KCN's Lobby Kiosks.*
- *Through further negotiations, KCN can offer a **MP3 program** to the DE DOC.*
- *An in-depth **training plan** by facility has been included in this proposal.*
- *KCN has included an **in-depth transitional plan** by facility.*
- *Depending on the operational needs of the DOC facilities, KCN will open up a **warehouse in the state of Delaware**.*

Key Points the DOC should know about KCN!

- *Should KCN be awarded all four DE DOC facilities AND all four facilities wish to operate off-site, KCN will open up a **warehouse in the State of Delaware**. This option will generate more jobs in the state of Delaware.*
- *KCN can create more crystal reports than ANY other vendor. KCN has submitted 70 pages worth of sample reports to the DOC. KCN provides custom reports and will provide any report the DOC chooses with its accounting software.*
- *KCN is the only vendor that has **PROVEN ABLE** to complete transitions of large-scale operations in the **given time periods**. Please contact our references at Philadelphia Prison Systems, Rhode Island DOC, and MA DOC for proof of KCN's ability to meet given timelines.*
- *KCN has extensive experience in providing **family package program** through our own Securepak program or partnering with an approved third party vendor.*
- *KCN can provide **extensive references** from large state operations to small jail facilities.*
- *KCN inmate Kiosks offer a number of different functions including a module for **inmate grievance tracking**. We can also provide a solution for video visitation utilizing net books.*
- *KCN **currently has all certificates & licenses** required for this RFP. We are not awaiting or in the process of acquiring any licenses needed to fulfill the requirements of this RFP.*
- *At no point will KCN utilize or require assistance from DOC staff to deliver commissary orders. All orders will be **distributed by dedicated KCN staff** at each DOC location.*
- *KCN has provided a **detailed training/transition/delivery plan** for each DOC facility. This training/transition/delivery plan can be adjusted accordingly to accommodate DOC needs.*
- *All hardware/software provided by KCN will be **maintained and serviced by KCN employees**. At no time during the contract period will KCN require the assistance of DOC staff in servicing any hardware or software.*
- *KCN is well aware of the massive scope of this project and has **extensive experience** in converting large DOC to bag and deliver operation. This is evident in our vast list of references from large DOC's to small county jails. KCN can provide more references than **all of our competitors COMBINED!***
- *The KCN accounting/inmate banking module is the **most comprehensive system in the market**. Details of how to use the KCN accounting system will be provided through training during start-up and via the KCN ease of use demo CD provided with our proposal. Screen shots of our accounting system and data base screens have been provided to illustrate the system's capabilities.*
- *Please keep in mind that, because we **own, develop and support our software**, the KCN accounting/inmate banking module and accompanying reports are highly customizable. This report customization is part of KCN's standard installation and training schedule.*
- *With Enterprise Rent a Car as our parent company, there will never be a question of **KCN's financial stability**.*

- *KCN & Florida Department of Corrections.*

Regarding questions and concerns pertaining to the Federal investigation of the Florida Department of Corrections and select FDOC employees – KCN was never a target of this investigation, at no time was KCN implicated, and KCN cooperated fully with the Department of Justice during the course of the investigation.

Since the investigation started over six years ago, FDOC's commissary has been re-bid twice. KCN was awarded both contracts and is proud to continue to serve the Florida Department of Corrections today.

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Introduction

Keefe Supply Company (Keefe) is a subsidiary of Enterprise Rent-A-Car. Enterprise, established in 1957, is a privately owned company headquartered in St. Louis, Missouri. Currently, Enterprise has worldwide sales exceeding \$9 Billion annually. With over 64,000 employees and more than 870,000 cars in the fleet Enterprise is the largest rental car company in the world.

The Centric Group (Formerly known as the Enterprise Capital Group), the managing parent company of Keefe, was established in 1974 to diversify the interests of Enterprise Rent-A-Car. The Centric Group consists of 7 companies, including Keefe and its affiliate Keefe Commissary Network. Keefe and KCN are the major contributors to Centric Group's revenues with staffing of over 2,130 employees nationwide and 2011 sales of over \$683 million.

*Keefe Supply Company has been servicing the corrections industry since 1974. In its over 30-year history, Keefe Supply Company has become the leading manufacturer and distributor to the correctional market serving over 2,100 institutions nationwide. Responsive customer service, high quality products, and value have been the cornerstones of our success and why customers value our offerings above those of our competitors. We currently service the: **Virginia DOC, Rhode Island DOC, Florida DOC, Mississippi DOC, West Virginia DOC, Massachusetts DOC, Idaho DOC, Arizona DOC and the Vermont DOC. KCN was just recently awarded the Maine DOC. We service more state Department of Corrections than ALL OF OUR COMPETITORS COMBINED.***

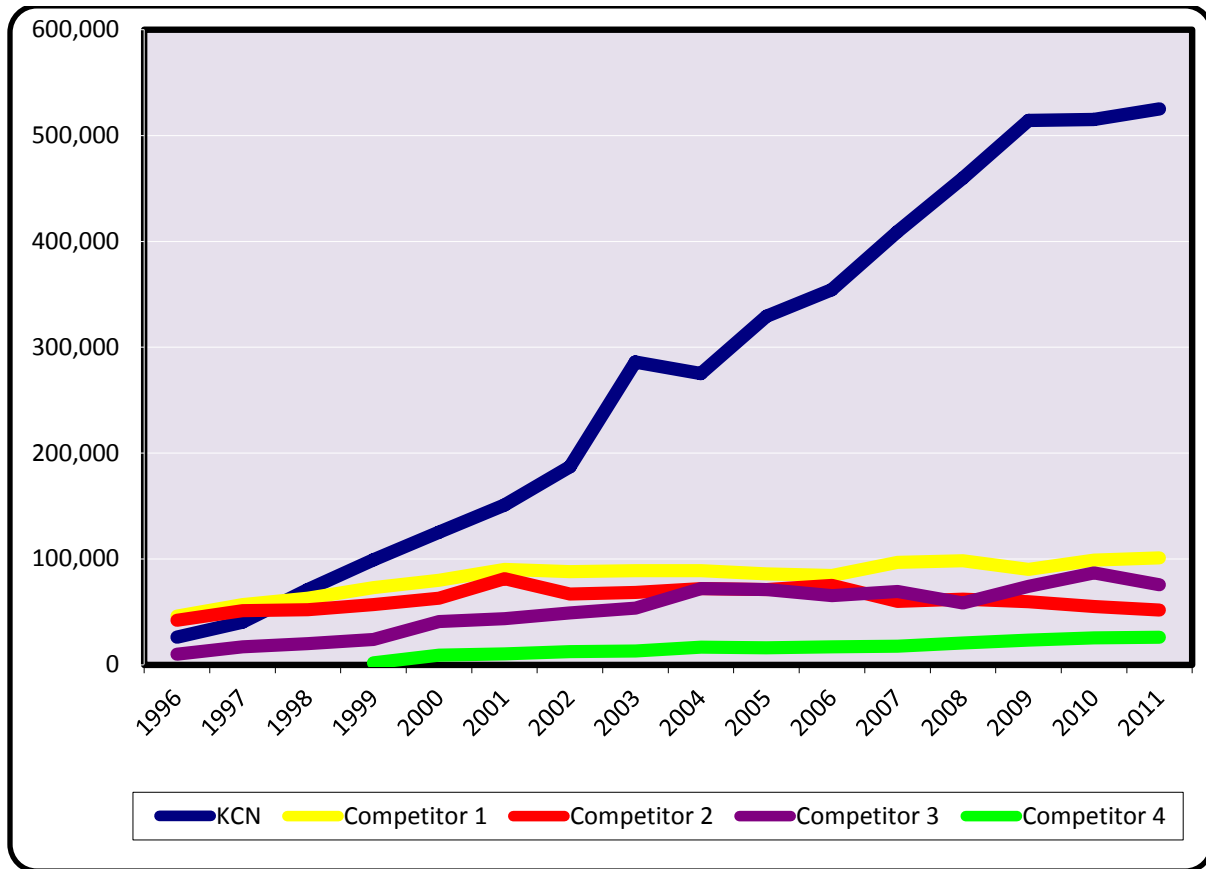
Keefe currently has 16 distribution centers totaling 1,478,471 square feet, shipping over 25 million pounds of inventory per month, and carrying over \$80 million in inventory daily. Our products are not sold in any other market. Keefe manufactures and distributes commissary and canteen items specifically designed for the correctional industry.

KCN, a division of Keefe, has adopted this same philosophy in providing automated commissary services to county, city, and state correctional facilities. KCN (over 1,700 employees) was a direct result of listening to the changing needs of our customers. In January 1993, we began marketing the KCN System. It has quickly become one of the leading commissary management tools in the nation. In ten years, we are contracted with 761 correctional facilities with more than 501,000 inmates in 43 states. KCN sales for 2011 reached over \$299 million. The facilities we service range in populations from 25 to DOCs with over 84,000 inmates. Our concept was to create a system that is flexible, easy to use, yet sophisticated enough to manage any correctional environment.

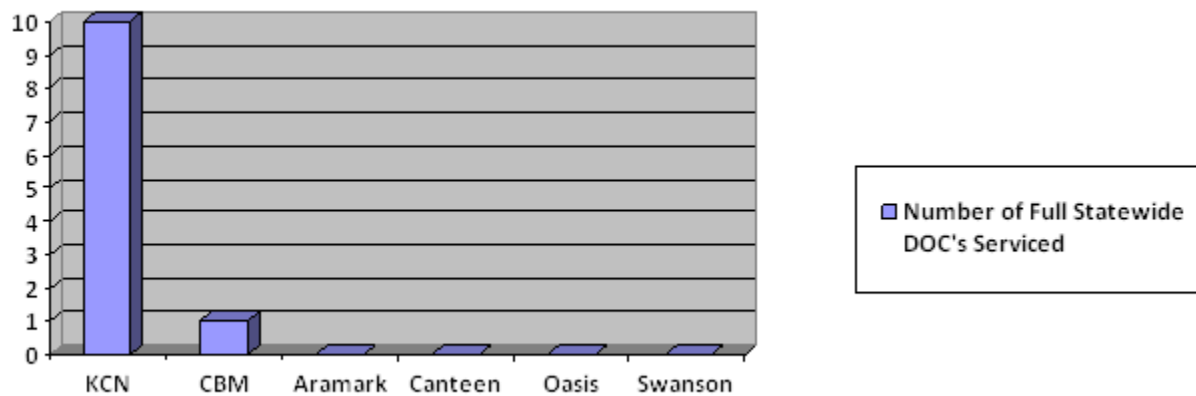
KEEFE COMMISSARY NETWORK (KCN)

- *As the affiliated service and technology unit of Keefe, KCN is organized solely for the purpose of providing commissary services.*
- *During its history KCN has grown more rapidly than the market itself, increasing its market share by offering superior technology, services and product value.*
- *In the past few years, KCN has been chosen to provide commissary services to more facilities than all other commissary service providers combined. We began providing commissary services to the Florida DOC with 90,000 inmates, Virginia DOC with over 30,000 inmates, Vermont DOC with 1,500 inmates, Cook County, IL with 10,000 inmates, Dallas County, TX with 6,400 inmates, Tarrant County, TX with 3,500 inmates, San Bernarido, CA with 5,600 inmates, Riverside County, CA with 3,500 inmates, Kern County, CA with 2,400 inmates Suffolk County, MA 2,800 inmates, City of Philadelphia Prison System with 8,500 inmates, RI DOC with 3,500 inmates, Idaho D.O.C. with 3,500 inmates, Duval County, FL with 3,500 inmates, Pinellas County FL with 3,200 inmates, Orange County, FL 3,200 inmates, Kings County WA with 2,700 inmates, Cobb County, GA with 2,300 inmates, Hamden County MA with 1,700 inmates, Richmond City with 1,700 inmates, Salt Lake County with 1,300 inmates and Idaho State Prison with 1,200 inmates.*
- *Our close affiliation with Enterprise Rent-A-Car provides Keefe the financial might and technology power to invest in innovation critical to the corrections industry.*
- *Keefe is the only provider of commissary services that handle both the computerization and bulk needs of correctional facilities.*
- *The most advanced comprehensive, flexible, and responsive commissary and inmate banking system in the nation.*
- *32 bit client/server software. The most advanced programming standard on the PC platform.*
- *ANSI Standard SQL. The highest database standard in the industry.*
- *Multi-site real time branch banking allows our software to work across your network to make many facilities with independent operations appear as one.*
- *Real time data exchange with jail systems lets our software eliminate double entry with close links to your JMS.*
- *Rapid fire funds journal entry. Deposits or withdrawals may be entered in a fast batch mode and process them in a single stroke at a rate of more than 3 per second.*
- *Ongoing customer software development. We invest in your future by changing our software as your needs evolve.*

KCN's Growth vs. our Competitors



KCN has become the leading and most preferred commissary management provider in the nation. KCN provides automated commissary management services to correctional facilities nationwide.



Summary of Understanding

KCN has read the RFP for the State of Delaware, Department of Correction entitled “Professional Services Request for Proposal Commissary Services” (Number DOC1212-COMMISSARY).

KCN understands all requirements of the RFP and takes no exceptions to any of the RFP specifications.

KCN understands that the DE DOC wishes a contractor to service all four facilities under the DOC including: Howard R. Young Correctional Institution, Delores J. Baylor Correctional Institution, Sussex Correctional Institution, and the James T. Vaughn Correctional Center.

KCN is proposing various operational methods to the DE DOC facilities in an effort to meet the needs of each individual facility.

KCN would like to define what is meant by an off-site operation. KCN would receive orders in our Edison warehouse; pick these orders from our warehouse and drive the orders to each facility via a KCN truck. This proven method is the current operation provided to BWCI and SCI by their current vendor. KCN has experience operating state department of corrections off-site in the states of: Massachusetts, Vermont, Arizona, Mississippi, and Maine.

An on-site operation would be defined as an instance in which KCN would have inventory stored at a DE DOC facility and the orders would be filled directly at the given DE DOC site. KCN has experience operating state department of corrections utilizing an on-site operational plan in the states of: Virginia, Florida, Rhode Island, West Virginia, and Idaho.

In all of KCN’s proposed operational plans, inmates will order via Edge® Housing Unit Kiosks, with the exception of the maximum security inmates (who will utilize a scanning method).

All inmates across the Delaware DOC will utilize the same uniform pricing structure, as requested in the Questions and Answers of this RFP.

KCN has successfully serviced the Delores J. Baylor Correctional Institution for one year prior to the release of this commissary RFP. KCN values the relationship that it shared with this institution and is confident that after careful evaluation, KCN will be the best choice for the entire DOC. No other vendor has the amount of experience servicing Statewide Department of Corrections, and no other vendor has transitioned so many institutions to a privatized commissary setup.

KCN thanks the Delaware Department of Corrections for this opportunity.

Proposed Services

Baylor Women's Correctional Facility:

| Facility | Orders will be Picked | Deliveries per week | Ordering Option | Interface | Delivery Truck | Inmate Labor | KCN Employees |
|--------------------------------------|---------------------------------------|----------------------------|---------------------------|-------------------|------------------------------|--------------|----------------------------|
| Baylor Women's Correctional Facility | At KCN's Edison, NJ location OFF-SITE | One day per week; Saturday | Edge® Housing Unit Kiosks | Booking Interface | KCN Truck will drop off Sat. | No | Yes; 3 part time employees |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, Full Inmate Banking, 14 Edge® Housing Unit Kiosks, Debit Release Card Swipe, Deposit Services via Phone and Web, 4 Computers, 1 Scanner, and 3 Printers

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

KCN has successfully serviced the Baylor Women's Correctional Institute in the above manner for one year. KCN is proposing to keep the operation the same as what is currently in place. Inmates will order via our Edge® Housing Unit Kiosks. Orders will be sent electronically to our Edison, NJ warehouse. Orders will then be pulled at our warehouse. KCN employees will deliver orders once per week in a KCN truck to the BWCF. Orders will be delivered on Saturdays by KCN employees to each individual housing unit.

Howard R. Young Correctional Facility Option #1

| Facility | Orders will be Picked | Deliveries per week | Ordering Option | Interface | Delivery Truck | Inmate Labor | KCN Employees |
|-----------------|---------------------------------------|---------------------------------------|---------------------------|-------------------|--------------------------------------|------------------------|---|
| Howard R. Young | At KCN's Edison, NJ location OFF-SITE | Deliver to inmates Monday thru Friday | Edge® Housing Unit Kiosks | Booking Interface | KCN Truck; will drop off Mon and Wed | Yes, 12 inmate workers | Yes; 2 full time employees and 1 Commissary Manager |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, Full Inmate Banking, 1 Debit Card Swipe, 37 Edge® Housing Unit Kiosks, Deposit Services via Phone and Web, 1 Release Kiosk, 8 Computers,

8 Receipt Printers, 4 Printers, and 1 Micr. Check Printer

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

*In this option, KCN is proposing to move this facility to an operation in which orders are picked at KCN's warehouse. Orders will be placed via Edge® Housing Unit Kiosks and sent electronically for picking at our Edison, NJ warehouse. Orders will be picked and delivered via a KCN truck, on Mondays and Wednesdays and staged in a designated area provided by the facility as mentioned during the site tours. KCN will utilize and fully pay for inmate labor to help push carts and unload the KCN delivery truck. Three full-time KCN employees will be hired to handle delivery, credits, processing orders, and the answering of any inmate grievances. **Please note: If the Howard R. Young facility is currently happy with the existing staff in place at the facility, KCN will be happy to offer these employees an interview with KCN. This will help to ensure a smooth transition by keeping the same employees in place, familiar with the facility and its inmates. KCN will offer inmate deposits both through the phone and a website. KCN will also provide 19 Commercial Grade Microwaves to the facility.***

Howard R. Young Correctional Facility Option #2

| Facility | Orders will be Picked | Deliveries per week | Ordering Option | Interface | Delivery Truck | Inmate Labor | KCN Employees |
|-----------------|----------------------------|---------------------------------------|---------------------------|-------------------------|--|------------------------|---|
| Howard R. Young | ON-SITE at Howard R. Young | Deliver to inmates Monday thru Friday | Edge® Housing Unit Kiosks | Booking level Interface | National Known Freight Truck Line- 1 Transfer per week | Yes, 12 inmate workers | Yes; 2 full time employees and 1 Commissary Manager |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, Full Inmate Banking, 37 Edge® Housing Unit Kiosks, Deposit Services via Phone and Web, 1 Release Kiosk, 8 Computers, 8 Receipt Printers, 1 Micr. Check Printer

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

*In option number two, KCN is proposing to keep Howard R. Young as an on-site operational should the facility prefer this operational method. Orders will be placed via Edge® Housing Unit Kiosks and sent electronically for picking at our Edison, NJ warehouse. Orders will be picked on-site at Howard R. Young. KCN will utilize a national known freight carrier to drop product at the facility once per week. Three full-time KCN employees will be hired to handle delivery, credits, processing orders, and the answering of any inmate grievances. **Please note: If the Howard R. Young facility is currently happy with the existing staff in place at the facility, KCN will be happy to offer these employees an interview with KCN. This will help to ensure a smooth transition by keeping the same employees in place, familiar with the facility and its inmates. KCN will offer inmate deposits both through the phone and a website. KCN will also provide 19 Commercial Grade Microwaves to the facility.***

James T. Vaughn Correctional Facility Option #1

| <i>Facility</i> | <i>Orders will be Picked</i> | <i>Deliveries per week</i> | <i>Ordering Option</i> | <i>Interface</i> | <i>Delivery Truck</i> | <i>Inmate Labor</i> | <i>KCN Employees</i> |
|------------------------|--|--|--|--------------------------------|--|-------------------------------|--|
| James T. Vaughn | At KCN's Edison, NJ location OFF-SITE | Deliver to inmates Monday thru Friday | Edge® Housing Unit Kiosks & Scanning for Max Security Inmates | Booking level interface | KCN Truck; will drop off Monday and Wednesday | Yes, 16 inmate workers | Yes; 1 Commissary Manager and 5 Full time employees |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, 1 Debit Release Card Swipe, Full Inmate Banking, 45 Edge® Housing Unit Kiosks, 1 Scanner, Deposit Services via Phone and Web, 6 Computers, 6 Report Printers

KCN is allocating 45 Edge® Housing Unit Kiosks for James T. Vaughn. Should the number of kiosks need to be increased, KCN will negotiate these terms with the DOC.

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

In this proposed option, KCN is will move this facility to an operation in which orders are picked at KCN's Edison warehouse. For the 1,700 inmates in the front section of the facility, Edge® Housing Unit Kiosks will be utilized to place inmate orders. The orders will be sent electronically for picking at our Edison, NJ warehouse. Scan forms and scanners will be used to place inmate orders for those 900 inmates in maximum security. All orders will be picked and delivered via a KCN truck to the facility Mondays and Wednesdays. KCN will utilize and fully pay for inmate labor to help push carts and unload the KCN delivery truck. Six full-time KCN employees will be hired to handle delivery, credits, processing orders, and the answering of any inmate grievances. Orders will be delivered to inmates five days a week, Monday thru Friday directly to their housing units.

James T. Vaughn Correctional Facility Option #2

| <i>Facility</i> | <i>Orders will be Picked</i> | <i>Deliveries per week</i> | <i>Ordering Option</i> | <i>Interface</i> | <i>Delivery Truck</i> | <i>Inmate Labor</i> | <i>KCN Employees</i> |
|------------------------|-----------------------------------|--|--|--------------------------------|--|-------------------------------|--|
| James T. Vaughn | ON-SITE at James T. Vaughn | Deliver to inmates Monday thru Friday | Edge® Housing Unit Kiosks & Scanning for Max Security Inmates | Booking level interface | National Known Freight Truck Line-1 Transfer per week | Yes, 16 inmate workers | Yes; 1 Commissary Manager and 5 Full time employees |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, 1 Debit Release Card Swipe, Full Inmate Banking, 45 Edge® Housing Unit Kiosks, 1 Scanner, Deposit Services via Phone and Web, 6 Computers, 6 Report Printers

KCN is allocating 45 Edge® Housing Unit Kiosks for James T. Vaughn. Should the number of kiosks need to be increased, KCN will negotiate these terms with the DOC.

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

In option number two, KCN is proposing to operate James T. Vaughn as an on-site commissary operation. For the 1,700 inmates in the front section of the facility, Edge® Housing Unit Kiosks will be utilized to place inmate orders. Scan forms and scanners will be used to place inmate orders for those 900 inmates in maximum security. All orders will be processed at James T. Vaughn by KCN employees. All orders will be picked and delivered on-site. KCN will use a National Carrier freight line to deliver product via a transfer from KCN's Edison, NJ warehouse once a week. Six full-time KCN employees will be hired to handle order processing, delivery, credits, and the answering of any inmate grievances. Orders will be delivered to inmates five days a week, Monday thru Friday.

James T. Vaughn Correctional Facility Option #3

| <i>Facility</i> | <i>Interface</i> | <i>Delivery Truck</i> |
|------------------------|--------------------------------|--|
| James T. Vaughn | Booking level interface | Freight Carrier will deliver bulk orders on a mutually agreed upon time between James T. Vaughn and KCN |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, 1 Debit Release Card Swipe, Full Inmate Banking, 45 Edge® Housing Unit Kiosks, 1 Scanner, Deposit Services via Phone and Web, 6 Computers, 6 Report Printers

KCN is allocating 45 Edge® Housing Unit Kiosks for James T. Vaughn. Should the number of kiosks need to be increased, KCN will negotiate these terms with the DOC.

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

In this option, KCN is offering all of the technology listed above in exchange for all bulk ordering to be done through Keefe Commissary Network. This will allow James T. Vaughn to maintain its current operation, while obtaining a state of the art technology package to facilitate its current day to day commissary operations. Given the fact that KCN does not have to employ any commissary staff on-site, we can provide products at a lower cost than an on-site/ off-site operation. This option is assuming that James T. Vaughn will continue to utilize its staff to operate daily commissary functions and that all products being offered through the commissary are ordered through Keefe Commissary Network.

Sussex Correctional Facility

| <i>Facility</i> | <i>Orders will be Picked</i> | <i>Deliveries per week</i> | <i>Ordering Option</i> | <i>Interface</i> | <i>Delivery Truck</i> | <i>Inmate Labor</i> | <i>KCN Employees</i> |
|-----------------------------------|--|--|--|---------------------------------------|--|-------------------------------------|--|
| <i>Sussex Correctional</i> | <i>At KCN's Edison, NJ location</i> | <i>Deliver to inmates Tuesday thru Friday</i> | <i>Edge® Housing Unit Kiosk</i> | <i>Booking level interface</i> | <i>KCN Truck; Will drop off Tues. and Wed orders on Tuesdays and Thursdays orders on Thursday</i> | <i>Yes, 3 inmate workers</i> | <i>Yes; 1 Commissary Manager and 1 Full time employee</i> |

KCN Technology Included: 1 Server, 1 Booking Kiosk, 1 Lobby Kiosk, Full Inmate Banking, 21 Edge® Housing Unit Kiosks, Deposit Services via Phone and Web, 1 Release Kiosk, 10 Computers, 1 Scanner, 3 Report Printers, 8 Receipt Printers, 1 Check Writer

KCN is also offering our inmate Release Kiosk at no fee to the State. Please refer to page 41 for more information on this new technology.

KCN will keep commissary operations at Sussex Correctional the same. All inmates will place orders via KCN's Edge® Housing Unit Kiosks. The orders will be sent electronically for picking at our Edison, NJ warehouse. All orders will be picked and delivered to Sussex Correctional via a KCN truck, two days per week on Tuesdays and Thursdays. KCN will utilize and fully pay for inmate labor to help push carts and unload the KCN delivery truck. Two full-time KCN employees will be hired to handle delivery, credits, processing orders, and the answering of any inmate grievances. Orders will be delivered to the inmates four days a week, Tuesday thru Friday.

Ordering Procedures:

Warehouse:

The KCN warehouse that will service the Delaware Department of Corrections for those facilities choosing to utilize an off-site operation is located at:

*301 Mill Rd.
Edison, NJ 08837*

*This facility has **successfully serviced the Baylor Women's Correctional Facility for one year.** Our facility has **187,000 square feet** of office and warehouse space. From this warehouse we currently service correctional facilities in ME, VT, NH, MA, NY, RI, NJ, PA, CT, MD, **DE** and WV with **next day service**. We currently inventory over 4,500 commissary SKUs with a value of over \$11 million dollars.*

*We service over 500 correctional facilities from this location of which 132 are privatized. Any and all KCN facilities are available for inspection by qualified DOC representatives. **KCN encourages a site tour of our warehouse as well as our competitors.***

Orders are processed by housing location and sent to the warehouse floor for pulling, checking and staging of these orders. On the floor the KCN Supervisor oversees a staff of 34 order pullers, 10 re-stockers, 6 checkers and 6 order processors who are responsible for picking, packing and staging the orders by location along with meeting the needs and reporting requirements of our customers. Our order pulling area carries approximately 650 individual items to ensure speed and accuracy. Each facility is pulled individually with the KCN Supervisor overseeing the process to ensure that we meet the individual needs of each customer. At least one third of all orders are checked by our order checkers. In addition a bonus plan is in place that monitors the accuracy of our order pullers. After pulling each order it is processed, packaged and staged by housing unit.

*All of our buildings have controlled access; all entrances are controlled by key cards. Our building's alarm system is monitored by ADT Security and is linked directly to local law enforcement agencies. No one is allowed to enter our building unless escorted. All employees are in uniform so that outsiders are easily identified. Our staff each has their own lockers and they are not permitted to carry any bags or other belongings into the work area. Please see **Attachment "B"** for our building safety and security guidelines.*

*See **Attachment "C"** for our Edison NJ Warehouse Specs.*

*****Should KCN be awarded all four DE DOC facilities AND all facilities choose to operate off-site, then KCN will open a warehouse in the State of Delaware. *****

Fill Rate:

KCN is responsible for purchasing, receiving and maintaining all supplies that are necessary to fulfill this RFP. If an item is missing from a commissary order, KCN will promptly resolve the situation. As the largest provider of commissary goods and services KCN will maintain an optimum fill rate of 99%.

KCN prints monthly reports to show usage's by product per month. KCN conducts inventories using this report on a weekly basis to ensure high quality and sufficient quantity of inventory. The inventory will consist of counting all products to ensure sufficient supply of inventory to prevent all backorders, checking quality of inventory and packaging, and checking dates on all perishable product to ensure proper rotation of inventory. KCN accepts responsibility for its entire inventory and will ensure high quality products, no backorders, and no substitutions without ample notification and approval from the Contract Manager.

In an unlikely event we do experience a "low stock" status; we would source products from one of our 16 distribution centers around the country.

Security:

KCN considers security its number one priority and number one success. No employee of KCN is hired without a background, financial and drug check. Throughout their employment, staff members are subject to continuous random background and drug tests. All on-site personnel are subject to DOC clearance and any training required by the DOC. If any of our policies are in conflict with the DOC's policies, we will adjust them accordingly.

Any and all KCN facilities are available for inspection by qualified representatives. We are aware of the pride that your facility takes in their internal security and we assure you that we will uphold those same standards at our facilities. KCN will maintain and operate clean, safe and secure facilities.

All KCN hires are required to go through background checks and mandatory drug testing prior to starting with the Keefe Group. All new employees are trained by supervisors and peers with an emphasis on safety and security.

All of our buildings have controlled access. Our building's alarm system is monitored by ADT and is linked directly to local law enforcement agencies. No one is allowed to enter our building unless escorted. All employees are in uniform so that outsiders are easily identified. Our staff each has their own lockers and they are not permitted to carry any bags or other belongings into the work area.

KCN welcomes and encourages all designated personnel from each DE DOC facility to visit our Edison, NJ warehouse for a comprehensive site tour. KCN will highlight its procedures to ensure that NO contraband will have any opportunity to make it into a DOC facility.

Inmate Grievances:

KCN offers a variety of methods to quickly and efficiently handle inmate complaints or problems to the satisfaction of all parties. KCN will follow the DOC's Grievance guidelines. We will work with the review committee and respond to all grievances within 24 hours of receipt. KCN will also provide a witness when

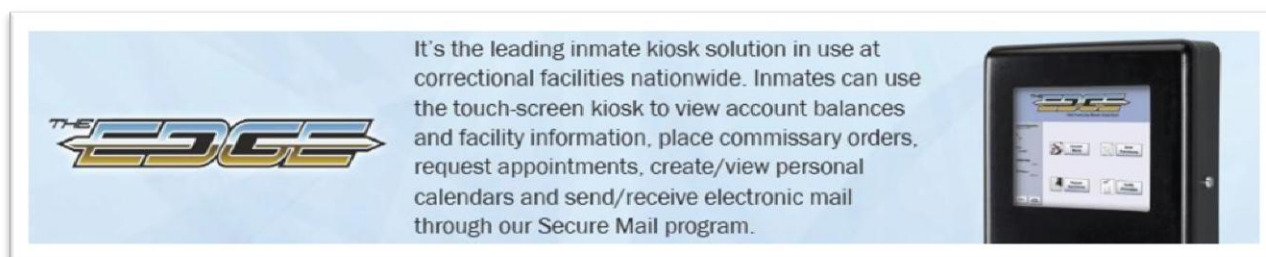
required by the DOC. Our Operation Managers will have an on-going line of communication with the DOC to ensure that all grievances are handled quickly and efficiently.

Since Edge® Housing Unit Kiosks will be utilized, inmates will have the ability to electronically send grievances directly to KCN.

The KCN Edge® Kiosk system allows inmates to interact with staff using a Grievance Request feature. The inmate enters the grievance request at the Edge® Kiosk. Authorized facility staff may review the request on-line and provide both a written on-line response and schedule an appointment if necessary to review the response with the inmate. The requests and responses are maintained indefinitely for review. The following page illustrates the Grievance request feature in a step by step manner.

*Please see **Attachment “D”** for more information on our offender communication system.*

Edge® Housing Unit Kiosk Ordering:



Inmate Ordering

Commissary orders will be placed through our state-of-the-art Edge® Kiosks. The Edge® is the leading inmate self-service system in use by correctional facilities nationwide. It provides the functionality, convenience, ease of use and security that will make your facility safer and more efficient.

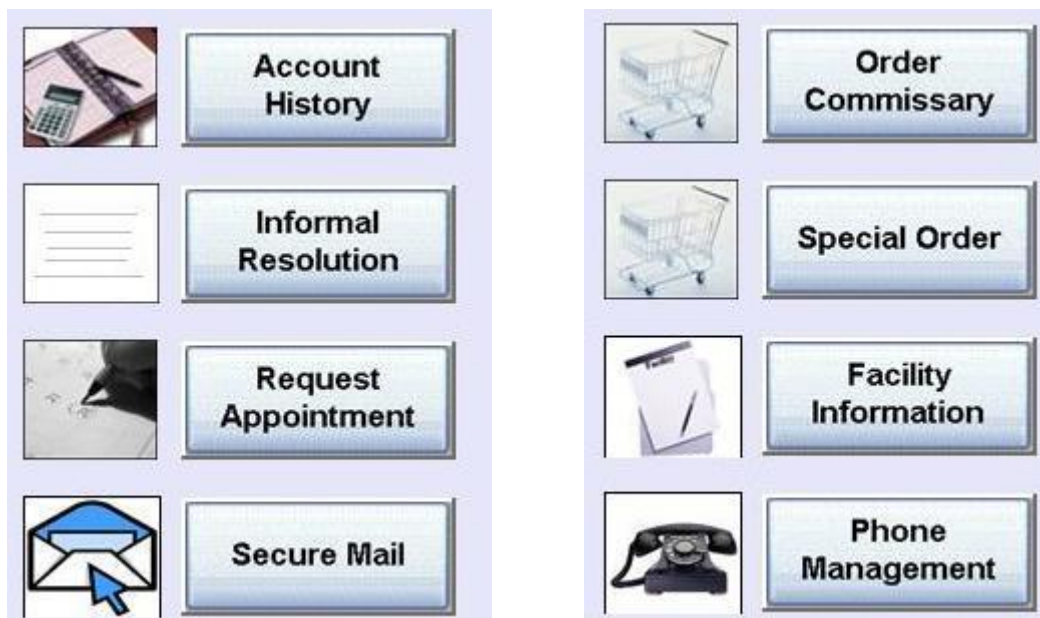
Features of the Inmate Housing Unit Edge®™ Kiosk:

The Edge® allows inmates to perform a number of self-service functions and access facility information:



Edge® Kiosks in inmate living units

- *Include 8 native KCN functions and can display additional html content*
- *Reduce stress on inmate services staff*
- *Leverage information to provide inmate self-help features*
- *Operate securely within the facility's intranet*



The Visual Commissary Shopping Cart Allows Inmates to create and review their order requests well in advance of delivery date



The online Account History allows inmates to review their financial and purchasing history without the intervention of facility staff




Keefe Commissary Network Inmate Kiosk

| Account Information Details as of 01/23 | | Date | Type | Description | Amount | Balance |
|--|-----------|------------|--------------|--|---------|---------|
| Inmate ID: | 1 | 09/08/2008 | <MEDICAL> | Payment for MEDICAL on 2008-09-03-11.42 | -0.02 | 0.00 |
| Name: | TEST TEST | 09/08/2008 | KIOSK CASH | BOOKING KIOSK CASH DEPOSIT | 0.02 | 0.02 |
| Available Funds: | 9801.00 | 09/04/2008 | MISC WTHDRWL | VOID-Payroll Deduction | 2.00 | 0.00 |
| Debt Balance: | 0.00 | 09/04/2008 | <MEDICAL> | VOID-Payment for MEDICAL on 2008-09-03-1 | 5.15 | -2.00 |
| | | 09/04/2008 | MISC DEPOSIT | VOID-Payroll Transaction | -200.00 | -7.15 |
| | | 09/04/2008 | MISC WTHDRWL | Payroll Deduction | -2.00 | 192.85 |
| | | 09/04/2008 | <MEDICAL> | Payment for MEDICAL on 2008-09-03-11.42 | -5.15 | 194.85 |
| | | 09/04/2008 | MISC DEPOSIT | Payroll Transaction | 200.00 | 200.00 |
| | | 09/03/2008 | MISC WTHDRWL | Payroll Deduction | -0.15 | 0.00 |
| | | 09/03/2008 | <MEDICAL> | Payment for MEDICAL on 2008-09-04-11.42 | -14.85 | 0.15 |
| | | 09/03/2008 | MISC DEPOSIT | Payroll Transaction | 15.00 | 15.00 |

[Log Out](#)
[Main Menu](#)

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The SecureMail Interface allows inmates to communicate with family members in a cost effective and secure manner controlled by facility policies



Keefe Commissary Network Inmate Kiosk

SecureMail - Messages

Touch the icons to view a message

Inbox - Unread

| View | From | Subject | Sent | Size |
|------|-----------|----------|---------------------|------|
| | FromName1 | Subject1 | 12/13/2007 12:01 PM | 6 Kb |
| | FromName2 | Subject2 | 12/13/2007 12:01 PM | 6 Kb |
| | FromName3 | Subject3 | 12/13/2007 12:01 PM | 6 Kb |
| | FromName4 | Subject4 | 12/13/2007 12:01 PM | 6 Kb |
| | FromName5 | Subject5 | 12/13/2007 12:01 PM | 6 Kb |

[Messages](#)
[Contacts](#)
[New Message](#)

Page 1 of 1

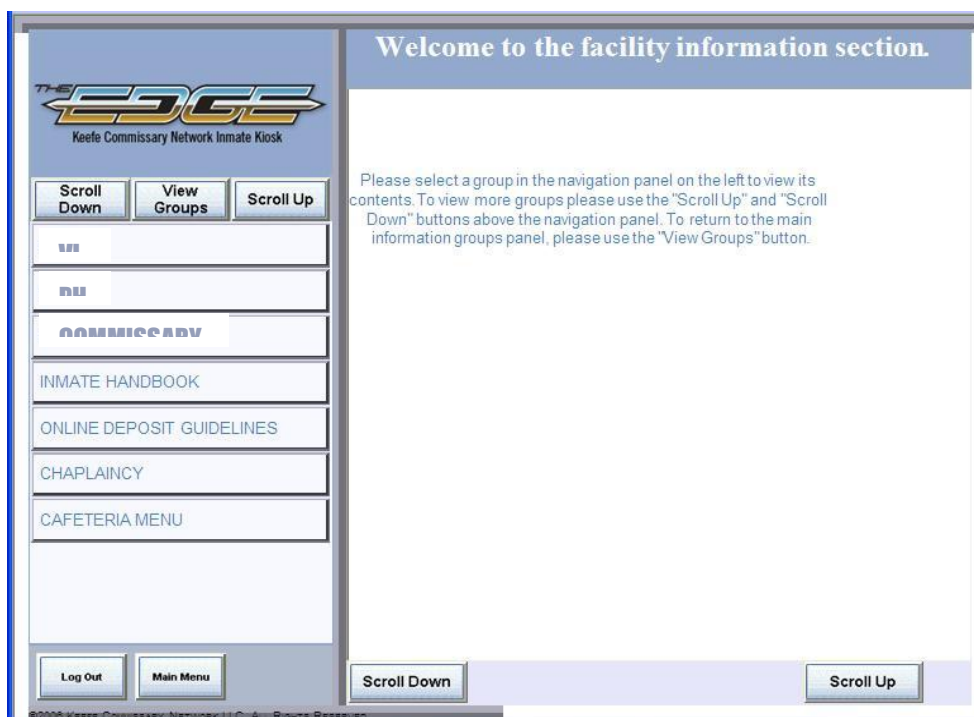
The Informal Resolution Feature allows facilities to capture the resolution request and respond or integrate into a facility-based grievance workflow system

The screenshot shows the 'Informal Resolution Center - Submit a new request' interface. On the left, there are buttons for 'Submit a request' and 'Review requests'. Below these are 'Log Out' and 'Main Menu' buttons. The main area has a prompt 'Touch to select a request category' above a dropdown menu. The dropdown is open, showing the following options: 'Financial Questions', 'Financial Questions', 'Officer Misconduct', 'Commissary', 'Facilities Repair', and 'Property Issues'. To the right of the dropdown, there is a partially visible text 'elow to get this'. At the bottom of the screen is a virtual keyboard with keys for numbers, letters, and symbols, including a 'Space' key. The footer text reads '©2006 Keefe Commissary Network LLC. All Rights Reserved'.

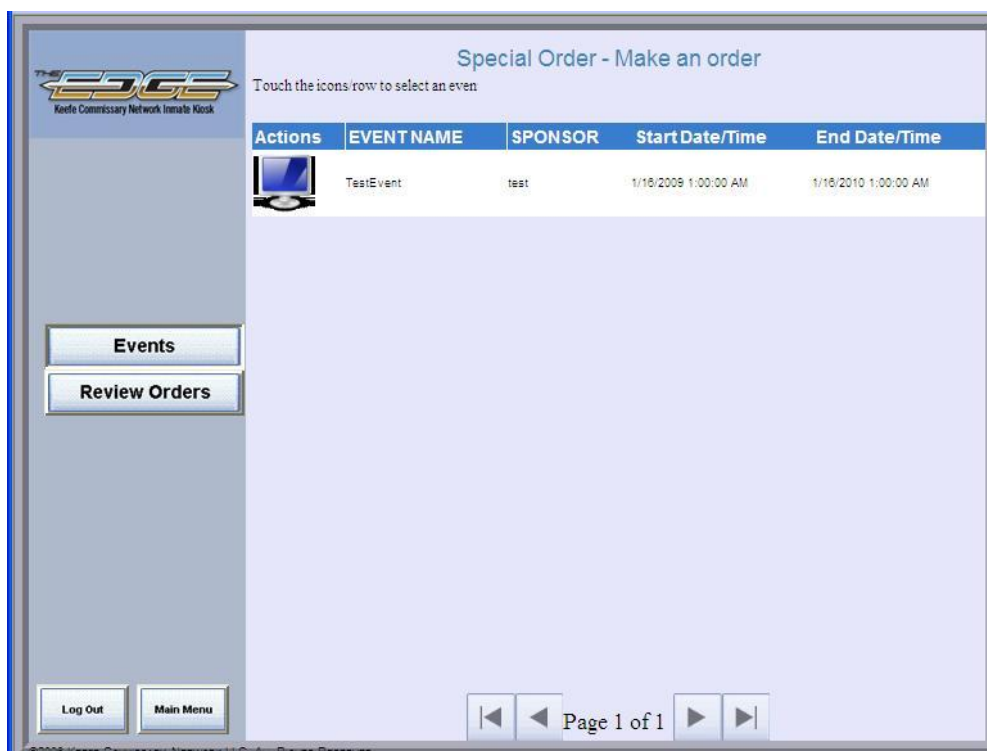
The personal calendar feature allows inmates to communicate scheduled requests to facility services staff without the need for paper-based request systems

The screenshot shows the 'Offender Appointment Center - Appointment Calendar' interface. On the left, there are buttons for 'Calendar', 'Review Requests', and 'Submit New'. Below these are 'Log Out' and 'Main Menu' buttons. The main area displays a weekly calendar for 'Current Week'. The calendar has columns for each day from Sunday, January 18, 2009, to Saturday, January 24, 2009. The rows represent time slots from 12 AM to 7 PM. Various appointments are scheduled, including 'Medical (12:00 AM - 10:09 AM)' on Sunday and Monday, 'Breakfast (7:00)' on Tuesday through Saturday, 'Church (10:00)' on Sunday, 'Lunch (12:00 PM - 1:00 PM)' on Sunday through Saturday, 'Medical (2:00 PM - 3:00 PM)' on Thursday, and 'Dinner (6:00 PM - 7:00 PM)' on Sunday through Saturday. The footer text reads '©2006 Keefe Commissary Network LLC. All Rights Reserved'.

The Information bulletin board allows the facility to reduce the need for paper-based manuals, guidelines, schedules, and procedures



The Special Order feature allows for scheduling inmate club activities such as pizza nights or movies



The administrator intranet site gives facility managers control over kiosk use, content, schedules, and restrictions

Advantages of Edge® Technology approach

Why Edge® Technologies?

Given the proven success of the Edge® kiosk endpoint and the open nature of the hosted web environment, KCN can become an invaluable partner in managing content delivery and presentation specific for the inmate population.

Benefits of the Edge® Kiosks

- The Visual Commissary Shopping Cart Allows Inmates to create and review their order requests well in advance of delivery date*
- The online Account History allows inmates to review their financial and purchasing history without the intervention of facility staff*
- The SecureMail Interface allows inmates to communicate with family members in a cost effective and secure manner controlled by facility policies*
- The Informal Resolution Feature allows facilities to capture the resolution request and respond or integrate into a facility-based grievance workflow system*
- The Personal Calendar Feature allows inmates to communicate scheduled requests to facility services staff without the need for paper-based request systems*
- The Information Bulletin Board allows the facility to reduce the need for paper-based manuals,*

guidelines, schedules, and procedures

- *Inmate Grievance Feature allows the facility to reduce the need for paper-based grievance forms.*
- *The Administrator intranet site gives facility managers control over kiosk use, content, schedules, and restrictions*

KCN will work closely with the facility to gain access to the law library on KCN's Edge® Housing Unit Kiosks via the web based application.

Advantages of Edge®™ Technologies Include Large, simple touch screen is highly visible and easy to use:

- *Conduit access for electric and Ethernet connections*
- *Enclosure is made of durable ABS material*
- *All Edges® are rounded*
- *Key lock access*
- *Space – compact, combined internal equipment space requirements less than 0.2 cu ft*
- *Maximizes service-ability*
- *Embedded OS – XPe - no hard drive required*
- *Maximizes change management, reducing cost of ownership*
- *Minimizes power consumption*
- *XPe includes proven device drivers for common peripherals including identification devices*
- *XPe SP2 includes Windows security features including Windows Firewall*
- *Edge® Shell Replacement for enhanced security*
- *Prevents inmate access to Windows Explorer functionality*
- *Allows for shell-level controls including availability & timeout, shutdown and service*
- *Manages connectivity to server*
- *Allows lockdown of endpoint unit from central location*
- *Limited Windows User rights prevents introduction and proliferation of mal-ware*
- *Application delivered from intranet web site via endpoint IE browser in kiosk mode*
- *Limits data access to central services*
- *Prevents programmatic navigation from kiosk to other information resources*
- *Minimizes bandwidth required for content presentation*
- *Solid surface – no point of entry required for venting*
- *Two-piece design hinged for ease of opening and service*

Financial Inquires:

*Inmates can check their account history and balance via KCN's Edge® Housing Kiosks. The DE DOC will no longer have to receive phone calls from inmates wondering if a deposit has posted into his/her account. The DE DOC inmate can login to his/her account using his/her Secure User ID and Password. The inmate can select "Account History" and instantly a screenshot summarizing all dates, types, descriptions, amounts, and account balance at the time is shown. Inmates will no longer need to disturb the business office or officers with questions about how much money is in their commissary account. **This feature will enable the facility to no longer have to provide monthly statements to your inmate population which in turn can decrease the work load that the DE DOC staff is responsible for.***

Sick Calls:

KCN's Edge® Housing Unit Kiosks have the ability for inmates to request an appointment to see a doctor or dentist. The inmate can select the "Request an Appointment" application on the kiosk. From there, the inmate can select the type of appointment: ie Medical, Dental, etc. The inmate can then type a personal message and request a certain time. The request will then be forwarded to the correct facility department.

Grievance Tracker:

As described above, KCN's Edge® Housing Unit Kiosks can accommodate grievance requests. The inmate can select the "Request to Staff" function. The inmates can then select "Grievance" as the topic and create a new conversation. Inmates will then have the ability to type a personalized message to the DE DOC staff members outlining their concerns. Facility staff then reviews requests on a KCN website as authorized. The requests are filtered by Department, so no time is wasted sorting through messages for other departments. Facility staff can then type a reply back to the inmate's grievance request/ concern. This reply will be waiting on the Edge® Kiosk for the inmate when he/she returns to the kiosk next.

Law Library:

The KCN Edge® Kiosk acts as a web appliance for the display of third party HTML content. The KCN Edge® kiosk application supports the forwarding of the inmate logged in credentials to the third party web site for authentication. The KCN Edge® Kiosk also provides an iFrame with menu options to return to the KCN Edge® Main Menu from the third party web site.

Legal Research firms may provide both a web-based research option (as a third party website) and a LAN-based research option. Using the web-based research option the KCN Edge® Kiosk may utilize native features for third party web sites. However, KCN would anticipate additional development for the provision of text-based web-site searches via pop-up keyboard if not provided by the Legal Research Firm web site, as the Edge® Kiosk is Touch-Screen only. Other enhancements to the Edge® application may also be required depending upon the Legal Research firm chosen by the DOC.

When the Legal Research firm has negotiated with the DOC for a LAN-based solution, the Edge® Kiosk would be modified to include a solid state hard drive and upgraded Operating System for installation of thick client Legal Research software. The thick client Legal Research software would present itself as an alternative to the Edge® Kiosk Web application. KCN would provide master menu software to toggle between the Legal Research Thick Client and the native KCN web application.

KCN commits to the additional development and/or engineering to provide one of these options for Legal Research within six months of award of contract.

Licensing costs for Legal Research are the responsibility of the DOC. Integration and/or enhancement costs of the Edge® Kiosk application are the responsibility of KCN.

Commissary:

Delaware Department of Corrections inmates will have the ability to order commissary directly from their housing units. Inmates that have access to the KCN Edge® Housing Unit Kiosks can simply place orders using the Commissary Ordering Module. Inmates will log in with their secure User ID and Password. After logging in using their credentials, inmates will select “Order Commissary”. Categories of items will appear on the kiosks (ie. Soups, Candy Bars, Hygiene, Clothing, etc.) and inmates can select items by category. After choosing a category, each individual item within that grouping appears with the selling price. The inmate can select a product, enter the quantity desired, and enter it into his/her shopping cart. While shopping, a receipt is calculating the totals of the inmate’s order on the left hand portion of the kiosk screen. The charges to the inmate’s account are deferred until the designated order processing time for the week. This feature provides flexibility to the inmate in which he or she can go in to the existing order and modify his/her purchase throughout the week. Inmates can remove certain items from his/her order or delete his/her order completely as long as it is done before the order processing time for the week.

| <i>Facility</i> | <i>Number of Edge® Kiosks to be Provided</i> |
|--------------------------|--|
| <i>Baylor Women’s CI</i> | <i>14</i> |
| <i>Howard R. Young</i> | <i>37</i> |
| <i>James T. Vaughn</i> | <i>45</i> |
| <i>Sussex Corr.</i> | <i>21</i> |

Edge® Housing Unit Kiosk Security:

Security is paramount to both the Delaware Department of Corrections as well as Keefe Commissary Network. KCN has taken specific measures to ensure the highest level of safety and security is utilized when our kiosks are in use. KCN has created ordering restrictions on the housing unit kiosks that will help KCN to ensure that this level of security is upheld.

Privileges

Kiosk privilege is an either / or scenario. The individual modules within the Edge®™ software solution are available to all offenders who are authorized to use the kiosk. Restriction sets that may limit a given activity such as commissary ordering, messaging, or video visitation are configurable within each of these modules.

*When combined with the Edge®™ kiosk hardware solution the Edge®™ software solution provides for filtering offender use based upon a match of three characteristics: 1) the offender housing location, 2) the kiosk housing location, and 3) the offender ID. This filter is often enabled to discourage sharing of offender credentials. ***This will ensure inmates will not be able to share personal information.*

Enforce location use restrictions- The Shell reports the kiosk device identity for cross-mapping with the

offender ID and Housing Unit for discouraging sharing of login credentials. KCN software offers the widest possible set of order restrictions ranging from items, categories, time-based purchasing, multiple spending limits, location-based profiles, indigent purchasing. Following is a comprehensive list of KCN restriction features:

| Type of Restriction | Description | Example | Scope |
|--------------------------------------|--|---|--|
| Quantity per order | <i>Any Item may be restricted to any quantity.</i> | <i>For instance, any inmate may be restricted to no more than 2 2-pack Tylenols per order</i> | <i>Per inmate, per order</i> |
| Quantity per time span | <i>In addition to the quantity per order restriction, any item may be restricted to any quantity over any time span in days.</i> | <i>For instance, any inmate may be restricted to no more than 4 2-pack Tylenols over a 60-day period</i> | <i>Per inmate, per item, per time span</i> |
| Orders per time span | <i>Any inmate may be restricted from placing any number of commissary orders over any time span in days.</i> | <i>For instance, any inmate may be restricted to no more than four orders in thirty days</i> | <i>Per inmate, per time span</i> |
| Disallowed item | <i>Any item may be restricted entirely from a given inmate</i> | <i>For instance, any inmate may have smoked sausage restricted entirely so that none may be ordered</i> | <i>Per inmate, per item</i> |
| Category Quantity Restriction | <i>Any inmate may be restricted to a given quantity of a collection of related items</i> | <i>For instance, any inmate may be restricted to ordering up to 7 candy items</i> | <i>Per inmate, per category</i> |
| Category Age Restriction | <i>Any inmate may be completely restricted from ordering a class of items on account of age</i> | <i>For instance, any inmate less than 19 years of age may be restricted entirely from purchasing tobacco products</i> | <i>Per inmate, per category</i> |
| Spending Limit Restriction | <i>Any inmate may be restricted to a maximum dollar amount to be spent per order</i> | <i>For instance, any inmate may be limited to spending no more than \$50 per order</i> | <i>Per inmate, per order</i> |
| Spending Limit over timespan | <i>Any inmate may be restricted to a maximum dollar</i> | <i>For instance, any inmate may be limited to spending no more than \$50 per</i> | <i>Per inmate, per timespan</i> |

| <i>Type of Restriction</i> | <i>Description</i> | <i>Example</i> | <i>Scope</i> |
|--|--|---|---------------------------------------|
| | <i>amount to be spent per week or month</i> | <i>order and no more than \$150 per month</i> | |
| Spending Limit Override | <i>Any inmate may be granted a spending limit override to order a given item</i> | <i>For instance, any inmate may be allowed to spend up to \$40 on a tennis shoes, which amount does not contribute to the spending limit for the rest of the items ordered</i> | <i>Per inmate, Per item</i> |
| Restriction Grid by Housing Location, Gender and / or Age | <i>Entire restriction grids including combinations of any of the above restrictions can be applied automatically during the scan process based upon an inmate's location in the facility, gender or age</i> | <i>For example, an inmate in a female only pod can be automatically assigned to a female restriction profile without user intervention.</i> | <i>Per inmate, Per grid</i> |
| Indigent Items | <i>Indigent purchasing requires both the item and the inmate to be classified as indigent. Commissary indigent inmate classification is determined instantaneously at time of order based on the current balance, indigent item purchasing may be controlled both at time of order and over a timespan</i> | <i>For example, an inmate with a current balance of \$2.25 may be classified as indigent at time of order, but the indigent items desired may be restricted to one per order or one every 14-days, etc.</i> | <i>Per Inmate, Per grid, Per item</i> |

Kiosk Wiring:

KCN will pay for ALL kiosk wiring for the Delaware Department of Corrections. KCN will also establish our own network.

Shawntech:

*KCN will use ShawnTech to complete the kiosk wiring. KCN has a longstanding business relationship with ShawnTech. ShawnTech is a certified Minority Business Entity in Delaware. Please see **Attachment "E"** for ShawnTech's MBE certification letter for the State of Delaware.*

Interface Costs:

KCN will establish a booking level interface with the DE DOC. Under this type of interface, the DOC will use the DACS system to book in inmates and the KCN KeepTrak™ ® system for all inmate accounting functions.

*Please see **page 99** for a project detail of our interface capabilities.*

Scanning Procedures:

Although KCN is installing Edge® Kiosks in all DOC facilities, there are some areas throughout the DE DOC facilities in which inmates are unable to access a kiosk for a variety of reasons, namely the level of security. For these inmates who are unable to utilize housing unit kiosks in their pods, KCN will utilize a scanning method. KCN will provide bubble sheet scan forms to these inmates. Inmates can fill in the bubble sheets with the appropriate item number and quantity desired for all commissary items. These scantron sheets will be collected and scanned into scanners provided by KCN. If this is an off-site operation, orders will be sent electronically to our KCN warehouse, in which the orders will be picked and shipped to the DE DOC facility. If the specific DE DOC facility is operating as an on-site operation, then these scantron sheets will be scanned on-site and printed for processing. Orders will be picked at the facility and delivered to the inmate's housing unit.

Please see below for a sample scantron commissary form. KCN and each DE DOC facility to choose a scantron form that will best fit the needs of the facility.

Inmate No.

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |

MARKING INSTRUCTIONS

- Use black or blue pen or a number 2 pencil.
- Make dark marks that fill the oval completely.
- Do not use pens with ink that soaks through the paper.
- Make no stray marks.

COMMISSARY ORDER FORM

Full Name (print)

The cashier is hereby requested and authorized to pay over to Commissary from my funds

Sign Here X

| 1 | | 2 | | 3 | | 4 | | 5 | | 6 | |
|-----------|-----|-----------|-----|-----------|-----|-----------|-----|-----------|-----|-----------|-----|
| ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |

| 7 | | 8 | | 9 | | 10 | | 11 | | 12 | |
|-----------|-----|-----------|-----|-----------|-----|-----------|-----|-----------|-----|-----------|-----|
| ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY | ITEM CODE | QTY |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |

KCN will have printed scan forms available to inmates using this ordering method. KCN will provide commissary order scan forms (see sample above) to each inmate weekly. KCN will work with the DOC to determine the order form collection schedule.


Each form has a signature line that must be signed as it indicates acknowledgement and understanding of the terms of commissary orders and authorizes that funds be deducted from the inmate's trust fund account to pay for commissary.

Order forms are scanned using the KCN Optical Mark Recognition (OMR) scanning interface that has been uniquely crafted to incorporate the scanning manufacturer's latest programming specifications directly into our software. This allows KCN system users to work with the scan dialog as an integral and real-time component of our software, insuring integrity and speed, and linking scan form error and reject reporting directly to our Commissary Application.

Serial numbers imprinted on the scan forms during processing are stored in our database with every order, and are the link to a rich audit trail that originates with the paper form completed by the inmate, and extends to the final receipt used by warehouse staff to fill the order.

KCN will provide pre-printed menus and posters with items and pricing for each selected housing location that will use this ordering method. This will enable the facility to add or delete items, adjust pricing and limit selection to specific inmates in specific locations, another example of KCN's commitment to improving service. Should the DOC wish a different solution KCN will gladly discuss.


Secure Deposit:



**ACCESS
SECUREDEPOSITS™**

NO COST TO YOUR FACILITY!

Secure Deposit is the most efficient way to accept deposits for inmates. Depositors can add funds to an inmate's account through our toll-free number, website or deposit kiosk located at the facility. All deposits are automatically posted to the inmates' accounts and all funds are 100% guaranteed.



In order to allow family and friends to make deposits online, KCN operates a secure website 24/7/365. Depositors can visit our Secure Deposit website at www.inmatedeposits.com and setup an account. All that is required to set up an account is an email address and a personal password. If a user does not currently have an email account, the website will direct them to a free email provider such as Yahoo or Hotmail in order to create an email account. Once they have completed this process, they can log onto the secure website. This secure website is the same website as KCN's Secure Mail™ program, so once an account is created; the customer can use the same account for both Secure Mail and Secure Deposits.

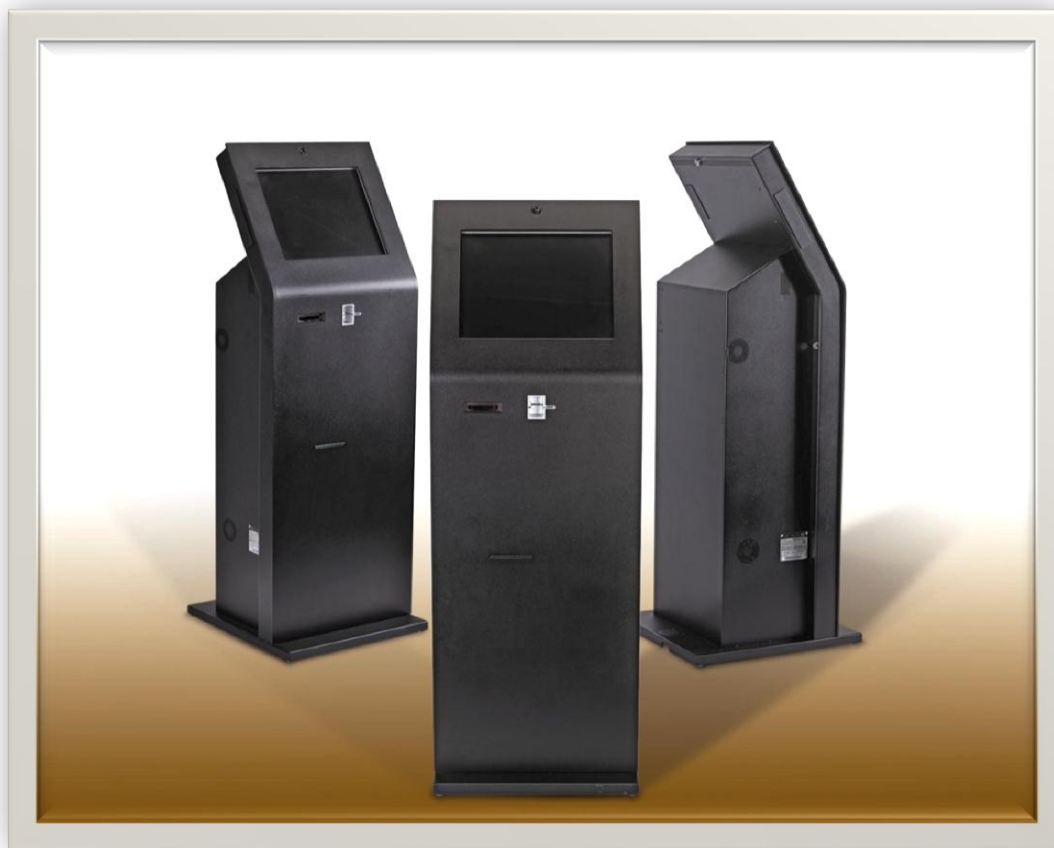
Once the user is logged into their account, they are in complete control. Depositors have the following functions available to them:

- *Recipient list – Users are allowed to create a recipient list that will allow them to add as many inmates as they choose. This list allows the users to efficiently add funds to an inmate's account.*
- *View deposit history – Each user is able to view their history for every deposit made from the website to each inmate's account.*
- *Edit account information – Users are able to enter in current information such as address and telephone number that will be used to process all deposits made*
- *Add funds – Users are able to simply click on a button, provide their debit/credit card information and make a deposit.*
- *Remove inmate – User can choose to remove the selected inmate from their recipient list at any time.*

Lobby Kiosk Deposits

*KCN has the largest network of lobby kiosks in the Country servicing the Correctional market. We currently have over **270 lobby kiosks deployed in correctional facilities across the Country**. KCN has technical support technicians who are responsible for the installation of our deposit kiosks. These technicians are employees of KCN and have years of experience involved in technology implementation, including deposit kiosks. All deposit kiosks are shipped to our Corporate Headquarters where they are tested thoroughly before shipped to the customer location. KCN technicians will install, configure and test the kiosk on-site. Furthermore, a designated technician will monitor each kiosk utilizing our management software. This management software sets KCN apart from our competitors as it enables our staff to monitor each kiosk with alerts. Alerts we receive encompass all operations allowed by the kiosk. This guarantees that KCN's deposit kiosks are managed as efficiently as possible. The kiosk will accept deposits via cash or*

credit/debit cards. The kiosk accepts \$5's, \$10's, \$20's, \$50's and \$100's. Depositors are able to identify the inmate by name, inmate ID, and/or date of birth. Each kiosk also has the ability to take a photo of each depositor for potential investigative purposes and will also provide a receipt to the depositor.



Deposit Services Proposed to the DE DOC facilities:

| <i>Facility</i> | <i>Phone</i> | <i>Web</i> | <i>Lobby Kiosks</i> |
|--------------------------|--------------|------------|---------------------|
| <i>Baylor Women's CI</i> | <i>X</i> | <i>X</i> | <i>1</i> |
| <i>Howard R. Young</i> | <i>X</i> | <i>X</i> | <i>1</i> |
| <i>James T. Vaughn</i> | <i>X</i> | <i>X</i> | <i>1</i> |
| <i>Sussex Corr.</i> | <i>X</i> | <i>X</i> | <i>1</i> |

***** KCN understands that Howard R. Young is not specifically requesting a Lobby Kiosk. KCN has included one in case that changes in the future. The lobby kiosks come at no cost to the DOC. Each institution has the option to collect the cash directly from the kiosks, or KCN can hire an armored car service to handle this responsibility for the facility.***

*Secure Deposits is an efficient way to collect funds electronically for inmates.
Relieves facility staff from entering the funds manually.
Makes funds quickly available to the inmate.
Reduces mail volume at the facility.*

Marketing

KCN will provide marketing material at no cost to the DOC. KCN will provide Posters advertising our services as well as order stuffers to include in commissary orders. KCN will also provide a link on the DOC's website directing those to KCN's website to make deposits.

The below fee structure is charged to the depositor. This service comes at no charge to the DOC. Should the facility choose to receive a commission on these fees, the below fee structure can be adjusted.

| DEPOSIT SERVICES FEE STRUCTURE | | | | |
|---------------------------------------|---------------|----------------|------------------------|---------------|
| <i>Gross Amount Deposited</i> | <i>Web</i> | <i>Phone</i> | <i>Credit at Lobby</i> | <i>Cash</i> |
| <i>\$0.01 - \$19.99</i> | <i>\$2.95</i> | <i>\$3.95</i> | <i>\$2.95</i> | <i>\$3.00</i> |
| <i>\$20.00 - \$99.99</i> | <i>\$5.95</i> | <i>\$6.95</i> | <i>\$5.95</i> | <i>\$3.00</i> |
| <i>\$100.00 - \$199.99</i> | <i>\$7.95</i> | <i>\$8.95</i> | <i>\$7.95</i> | <i>\$3.00</i> |
| <i>\$200.00 - \$300.00</i> | <i>\$9.95</i> | <i>\$10.95</i> | <i>\$9.95</i> | <i>\$3.00</i> |

Access Secure Deposits™ - Deposit Purpose Overview

Bail Specific Deposit Features


Our Deposit Purpose feature allows depositors to make deposits for a specific purpose. This can include: Bail Deposits, as well as Trust Fund Deposits, Probation and Parole, Medical, etc. The deposit purpose fields can be customized per the facility's needs. By identifying what the deposit is for it allows for easier understanding and reconciling of each deposit. These deposits can be made via lobby kiosk, web or phone.

Lobby Kiosk

Our Lobby Kiosk can be setup with our Deposit Purpose feature. This allows the depositor to identify what purpose they wish to make a deposit.

The depositor first searches for the offender they wish to make a deposit for.

LogMeIn - Remote Session
This computer is being remote controlled by
INDU10143\LogMeInRemoteUser from 12.106.69.253.

START OVER 

Please enter Last and First Name by using the on-screen keyboard.
When you are done, select **NEXT** to continue!

Last Name

First Name

Q W E R T Y U I O P Backspace

A S D F G H J K L Next Field

Z X C V B N M Symbols


CAPS Space

7 8 9

4 5 6

1 2 3

0 . Del

 BACK

NEXT 



The depositor then selects the offender they were searching for.

LogMeIn - Remote Session

Is this the Inmate you were looking for?
Press **YES** to confirm


Booking #: 554013
First Name: ANTONIO
Middle Name:
Last Name: SANCHEZ-MORENO
Booking Date: 02/20/2009
Date of Birth: 05/XX/1974

Photo not available

 NO YES 

After the offender is selected, a list of deposit purposes will display. This allows the depositor to select the purpose of their deposit. The list of deposit purposes can be customized per facility.

LogMeIn - Remote Session

START OVER 


List of Deposit Purposes!

TRUST FUND
Credit towards a Trust Fund Account.

BAIL
Credit towards a Bail account.

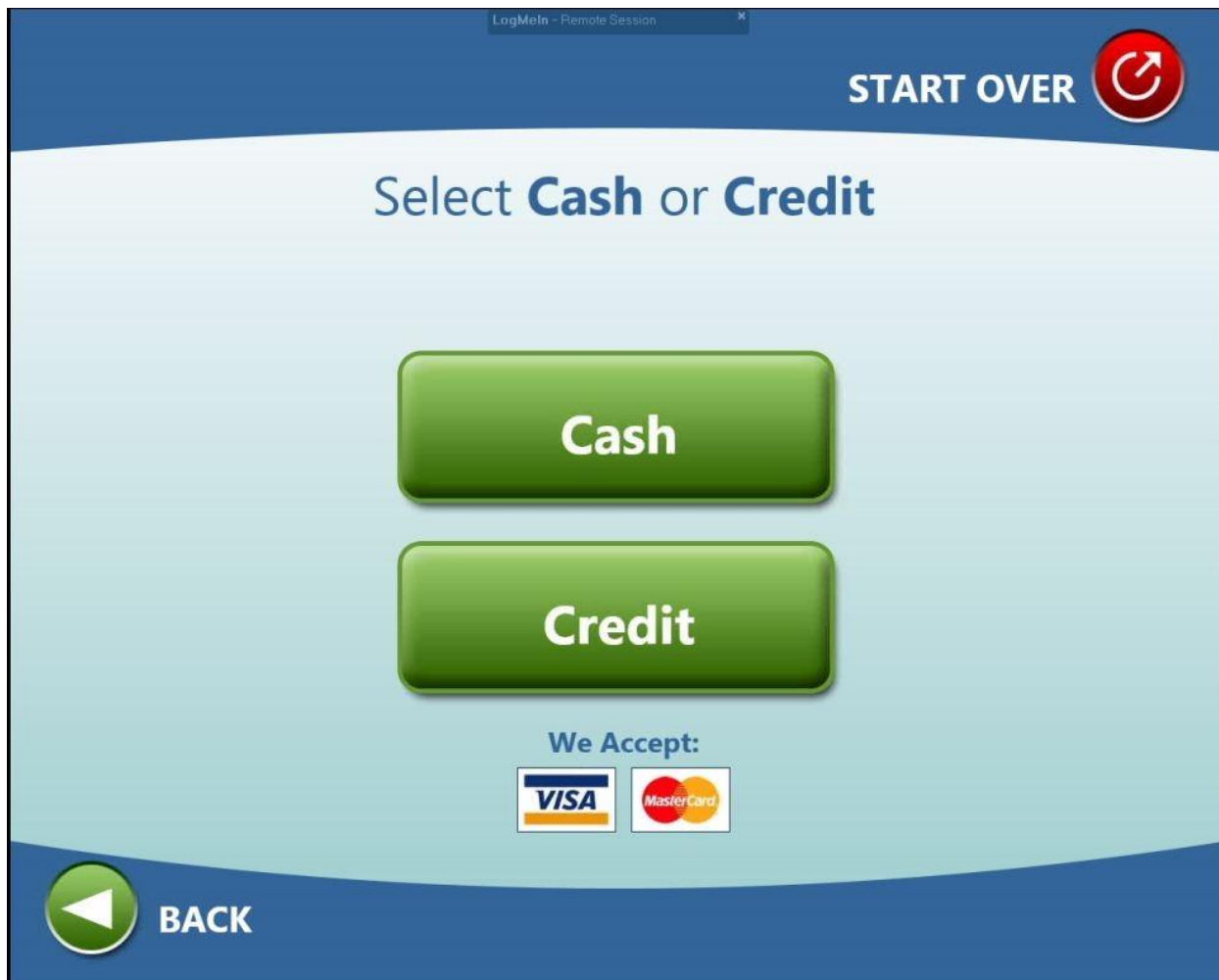
PAROLE and PROBATION
Credit towards a Parole account.

MEDICAL
Credit towards a Medical account.

 **BACK**

Results Page 1 of 1 (Total : 4 items)

We accept both cash and credit/debit card deposits. The depositor then selects their method of deposit to complete.



The image shows a screenshot of a web application interface for the Keefe Commissary Network. At the top, there is a blue header bar. On the left side of the header, the text "LogMeIn - Remote Session" is visible. On the right side of the header, the text "START OVER" is displayed next to a red circular button with a white refresh icon. Below the header, the main content area has a light blue background. The text "Select **Cash** or **Credit**" is centered. Below this text are two large, green, rounded rectangular buttons. The top button is labeled "Cash" and the bottom button is labeled "Credit". Below these buttons, the text "We Accept:" is centered, followed by two logos: the VISA logo and the MasterCard logo. At the bottom of the screen, there is a dark blue footer bar. On the left side of the footer, there is a green circular button with a white left-pointing arrow, and to its right, the text "BACK" is displayed.

Facility

Please see below for a sample screenshot of how each deposit purpose will be identified within the KCN banking software.

The screenshot displays the Keefe Commissary Network software interface. At the top, there is a menu bar with options: File, Session Control, Current Drawer, Transaction, Configure, Mode, View, and Help. Below the menu bar is a toolbar with various icons. The main window is titled 'Inmate Accounts' and shows details for 'SMITH, KIERE'. The details include: BND 08006694, DOB: 03/29/1989, FAC: NHWJ, TANK: 2N, Cell: H 01, Avail/Rsvd: \$248.00 / \$0.00, and Status: Active. To the right of these details are fields for Encumbered: \$0.00, Recoverable: \$0.00, and Held: \$0.00. Below the details are three buttons: Clear, Print, and Make Entry. The 'Transaction Type' is set to '+DEP BAIL'. The 'Purpose / Reason' field is empty. Below this is a table with columns: Date/Time, Transaction, Description, Amount, Balance, Due, Held, and Reference. The table contains four rows of transaction data.

| Date/Time | Transaction | Description | Amount | Balance | Due | Held | Reference |
|---------------|-------------|---------------------------------|--------|---------|------|------|------------|
| 02/10/2012... | DEP BAIL | 0000000000105312 JOHN SMITH | 102.00 | 248.00 | 0.00 | 0.00 | 02/10/2012 |
| 02/10/2012... | DEP TRUST | 00000000000001001421 JOHN SMITH | 52.00 | 146.00 | 0.00 | 0.00 | 02/10/2012 |
| 02/10/2012... | DEP PAROLE | 00000000000001001245 JOHN SMITH | 47.00 | 94.00 | 0.00 | 0.00 | 02/10/2012 |
| 02/10/2012... | DEP MEDICAL | 0000000000010001234 JOHN SMITH | 22.00 | 47.00 | 0.00 | 0.00 | 02/10/2012 |

Lock Box Service


KCN's proposed Lock Box collection will be maintained by KCN staff. KCN does not outsource its operations and handles these important and secure services in-house using KCN employees. All of KCN employee candidates must successfully pass a thorough background check, a satisfactory credit check, and drug testing before they are considered for employment. We take full responsibility of our operations and employees, and go above and beyond to provide exceptional, professional, and the most secure services to our customers.

With KCN's ability to collect funds from a P.O. Box designated for inmate funds, in most cases we are able to receive, process, and post the same day. By utilizing this method the facility will receive the funds 24 hours faster than if payments were sent to a bank lock box.


The process for collecting funds is simple and efficient. KCN staff will receive payment designated for inmate deposits and in most cases, review, process and post within 24 hours. All funds delivered through this method are guaranteed by KCN. Please note that personal checks will not be applied for a minimum of 14 days or until cleared by the depositor's bank. Deposits made via KCN's Lock Box service will be batched in one file along with all other deposit methods and will be sent to the DOC via one file. This will make it easier and more efficient for the facility to monitor all deposits. There will be a \$3.00 dollar charge per money order charged to the sender for these services.

Secure Intake:

KCN Booking Kiosks:



This kiosk collects money from incoming inmates in a secure fashion and with minimal officer interaction. The kiosk accepts cash and coins and tracks all deposits during each shift. With Access Secure Intake, facilities no longer have to handle cash during intake or re-count cash drawers at shift closing.



The KCN booking kiosk is designed to collect money from new inmates in a secure fashion with minimal officer interaction. It relies on a virtual cash drawer (in the KCN software) that is directly associated with the kiosk and cannot be manipulated except by the kiosk itself or through the drawer management module. The drawer is closed every time the kiosk is emptied, and a new drawer is immediately opened allowing for continual use of the kiosk.

Features:

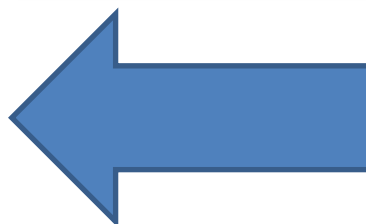
- *Allows the booking officer or detainee to insert bills and coins upon detainee's account opening*
- *Accepts cash and coin during intake*
- *Tracks all deposits during each shift*
- *Allows booking deposits to be cleared at shift end more efficiently*
- *Ensures that booking deposits are secured during shifts and only accessible by authorized staff*
- *Reduces the workload, handling of cash and cost of the intake process*
- *Interfaces seamlessly with KCN's Cash Management Software*

| <i>Facility</i> | <i>Number of Booking Kiosks to be Provided</i> |
|-----------------------------|--|
| <i>Baylor Women's Corr.</i> | <i>1</i> |
| <i>Howard R. Young</i> | <i>1</i> |
| <i>James T. Vaughn</i> | <i>1</i> |
| <i>Sussex Correctional</i> | <i>1</i> |

Secure Release Kiosk:

KCN Release Kiosks:

Keefe Commissary Network Release Kiosk is an automated bill and coin dispenser. The kiosk redeems bar-coded release vouchers from the KCN Inmate Banking system. The voucher redemption system removes cash handling responsibilities from the release staff.



Bills and Coins are secured in a hardened kiosk and dispensed only when a valid Keefe Commissary Network KeepTrak voucher is presented to the kiosk.



The Keefe Commissary Network KeepTrak Banking System is easily configured for production of a valid cash voucher.

Configuration includes the addition of accounting entries for closeout, and a kiosk identification code for redemption activities.

Included with this RFP response are 7 copies of KCN Cash Release DVD.

Authorized users may choose the Cash Kiosk transaction to close an account.

KCN will be providing one KCN Release Kiosk to each DE DOC facility.

These kiosks in the last stages of production and will be ready to be installed within the given timeframe of six months from the signing of the contract.

Below, please find the step by step process involved in releasing an inmate through KCN's Release Kiosks.

Select an Account to Closeout. Click the Closeout Icon

Inmate Accounts JONES, BOBBIEJO

JACKET: 00249592 DOB: 07/25/1960 Admitted: 10/14/2011

Floor: 2 MAJ Dom Cell: Held: \$0.00

Avail/Rev'd: \$156.60 / \$0.00

Status: **Active**

Drawer Transactions | Batch Transactions | Resident Transactions

Transaction Type: +DEPOSIT CASH Purpose / Reason: Receipt Amount

| Date/Time | Transaction | Description | Amount | Balance | Due | Held | Reference |
|------------|-------------|----------------------------------|--------|---------|-------|------|------------|
| 07/25/2012 | DEPOSIT MO | MO 10203919-001 MOM | 100.00 | 176.68 | 0.00 | 0.00 | 07/25/2012 |
| 01/12/2012 | ERF | OID: 100052916 ComsayRefundReg | 23.44 | 76.60 | 0.00 | 0.00 | 01/12/2012 |
| 01/05/2012 | ERF | OID: 100052573 ComsayRefundReg | 51.02 | 53.24 | 0.00 | 0.00 | 01/05/2012 |
| 01/06/2012 | PHONE RE | 1881865 | 1.95 | 2.22 | 0.00 | 0.00 | 01/06/2012 |
| 01/05/2012 | EPR | OID: 100052916 ComsayPurchReg | 23.44 | 0.67 | 0.00 | 0.00 | 01/05/2012 |
| 01/04/2012 | PAYROLL | PAYROLL WE 1-01-2012 | 10.00 | 24.11 | 0.00 | 0.00 | 01/04/2012 |
| 12/29/2011 | EPR | OID: 100052573 ComsayPurchReg | 61.02 | 14.11 | 0.00 | 0.00 | 12/29/2011 |
| 12/28/2011 | PAYROLL | PAYROLL WE 12-28-11 | 10.00 | 75.13 | 0.00 | 0.00 | 12/28/2011 |
| 12/28/2011 | SECUREDE | 2011513201046014207 ROBERT P. | 57.00 | 85.13 | 0.00 | 0.00 | 12/28/2011 |
| 12/22/2011 | EPR | OID: 100052487 ComsayPurchReg | 60.95 | 8.13 | 0.00 | 0.00 | 12/22/2011 |
| 12/21/2011 | PAYROLL | PAYROLL WE 12-21-11 | 10.00 | 68.68 | 0.00 | 0.00 | 12/21/2011 |
| 12/21/2011 | SECUREDE | 201151320460825989 ROBERT P. | 57.00 | 58.68 | 0.00 | 0.00 | 12/21/2011 |
| 12/15/2011 | EPR | OID: 100051715 ComsayPurchReg | 30.50 | 1.68 | 0.00 | 0.00 | 12/15/2011 |
| 12/14/2011 | PAYROLL | PAYROLL WE 12-14-11 | 10.00 | 95.18 | 0.00 | 0.00 | 12/14/2011 |
| 12/12/2011 | (MEDICAL) | MEDICAL CHARGES FOR 12-01-11 | 7.50 | 85.16 | 0.00 | 0.00 | 12/12/2011 |
| 12/12/2011 | (MEDICAL) | MEDICAL CHARGES FOR 12-01-11 | 7.50 | 82.68 | 7.50 | 0.00 | 12/12/2011 |
| 12/10/2011 | SECUREDE | 2011513206262554527 ROBERT P. | 57.00 | 32.68 | 0.00 | 0.00 | 12/10/2011 |
| 12/08/2011 | EPR | OID: 100059932 ComsayPurchReg | 114.34 | 25.68 | 0.00 | 0.00 | 12/08/2011 |
| 12/07/2011 | PAYROLL | PAYROLL WE 12-07-11 | 10.00 | 150.02 | 0.00 | 0.00 | 12/07/2011 |
| 12/03/2011 | SECUREDE | 2010613229361801084 ROBERT P. | 140.00 | 140.02 | 0.00 | 0.00 | 12/03/2011 |
| 12/01/2011 | EPR | OID: 100049631 ComsayPurchReg | 49.16 | 0.02 | 0.00 | 0.00 | 12/01/2011 |
| 11/30/2011 | PAYROLL | PAYROLL WE 11-30-11 | 10.00 | 63.18 | 0.00 | 0.00 | 11/30/2011 |
| 11/23/2011 | EPR | OID: 100043025 ComsayPurchReg | 89.99 | 59.18 | 0.00 | 0.00 | 11/23/2011 |
| 11/22/2011 | PAYROLL | PAYROLL WE 11-22-11 | 10.00 | 149.17 | 0.00 | 0.00 | 11/22/2011 |
| 11/21/2011 | SECUREDE | 201061321884866808 ROBERT P. | 100.00 | 139.17 | 0.00 | 0.00 | 11/21/2011 |
| 11/17/2011 | EPR | OID: 100048184 ComsayPurchReg | 66.68 | 39.17 | 0.00 | 0.00 | 11/17/2011 |
| 11/16/2011 | PAYROLL | PAYROLL WE 11-16-11 | 10.00 | 105.05 | 0.00 | 0.00 | 11/16/2011 |
| 11/16/2011 | (MEDICAL) | Payment for MEDICAL on 11-11-11 | 4.15 | 95.05 | 0.00 | 0.00 | 11/16/2011 |
| 11/16/2011 | SECUREDE | 2010613214556543065 ROBERT P. | 100.00 | 100.00 | 4.15 | 0.00 | 11/16/2011 |
| 11/15/2011 | (MEDICAL) | MEDICAL CHARGES FOR 11-07-11 | 6.35 | 0.00 | 4.15 | 0.00 | 11/15/2011 |
| 11/15/2011 | (MEDICAL) | MEDICAL CHARGES FOR 11-07-11 | 10.90 | 6.35 | 10.90 | 0.00 | 11/15/2011 |
| 11/10/2011 | EPR | OID: 100047390 ComsayPurchReg | 57.31 | 6.35 | 0.00 | 0.00 | 11/10/2011 |
| 11/09/2011 | SECUREDE | 2010613208496743039 ROBERT P. | 60.00 | 53.66 | 0.00 | 0.00 | 11/09/2011 |
| 11/04/2011 | ERF | OID: 100046433 ComsayPurchReg | 3.34 | 3.66 | 0.00 | 0.00 | 11/04/2011 |
| 11/03/2011 | ERF | OID: 100046433 ComsayPurchReg | 62.20 | 0.00 | 0.00 | 0.00 | 11/03/2011 |
| 10/27/2011 | SECUREDE | 2011513157418665977 ROBERT P. | 57.00 | 62.52 | 0.00 | 0.00 | 10/27/2011 |
| 10/27/2011 | EPR | OID: 100049537 ComsayPurchReg | 44.48 | 5.52 | 0.00 | 0.00 | 10/27/2011 |
| 10/25/2011 | (BOOKING) | Payment for BOOKING FEE on 10/11 | 25.00 | 50.00 | 0.00 | 0.00 | 10/25/2011 |

Press Enter to proceed to the closeout transaction dialog

Inmate Accounts JONES, BOBBIEJO

JACKET: 00249592 DOB: 07/25/1960 Admitted: 10/14/2011

Floor: 2 MAJ Dom Cell: Held: \$0.00

Avail/Rev'd: \$156.60 / \$0.00

Status: **Active**

Drawer Transactions | Batch Transactions | Resident Transactions

Transaction Type: +DEPOSIT CASH Purpose / Reason: Receipt Amount

Search

Search Info: JACKET: Last Name: CYN: SSN:

| JACKET | Name | Status | Receipts | Avail | CNY ID |
|----------|-----------------|--------|----------|----------|--------|
| 00249592 | JONES, BOBBIEJO | Active | \$0.00 | \$156.60 | 249592 |

Clear Search

Finish < Back Next > Cancel

Choose the Cash Kiosk Closeout Transaction

Inmate Accounts
JONES, BOBBIEJO
JACKET: 00249592
DOB: 01/25/1980 Admitted: 10/14/2011
Floor: 2 MAI Dom: Cell
Aval/Rsvd: \$156.68 / \$0.00
Status: Active

Encumbered: \$20.00
Recoverable: \$0.00
Held: \$0.00

Release Resident
JACKET: 00249592
JONES, BOBBIEJO
Balance: \$176.68

Closeout Transaction
Transaction Type: CASH KIOSK Amount: 176.68
Receipt: Add

| Transaction | PayTo | Memo | Amount |
|-------------|-------|------|--------|
| | | | |

Ready
Start EdgeKiosk ecapses Control Center - DB2CO... Keefe Commissary Network Keefe Commissary Ne... 9:30 PM

Click "Add" to create a Voucher for the entire balance

Inmate Accounts
JONES, BOBBIEJO
JACKET: 00249592
DOB: 01/25/1980 Admitted: 10/14/2011
Floor: 2 MAI Dom: Cell
Aval/Rsvd: \$156.68 / \$0.00
Status: Active

Encumbered: \$20.00
Recoverable: \$0.00
Held: \$0.00

Release Resident
JACKET: 00249592
JONES, BOBBIEJO
Balance: \$0.00

Closeout Transaction
Transaction Type: CASH KIOSK Amount: 0.00
Receipt: Add

| Transaction | PayTo | Memo | Amount |
|-------------|-------|-----------------|----------|
| CASH KIOSK | N/A | RELEASE OR C... | \$176.68 |

Ready
Start EdgeKiosk ecapses Control Center - DB2CO... Keefe Commissary Network Keefe Commissary Ne... 9:31 PM

The Account is Closed Out

Keefe Commissary Network

File Session Control Current Drawer Transaction Configure Mode View Help

JONES, BOBBIEJO
DOB: 01/25/1980 Admitted 10/14/2011
JACKET: 00249592
Floor: 2 MAI Dorm: Cell
Aval/Rsvd: \$0.00 / \$0.00
Status: Inactive

Encumbered: \$0.00
Recoverable: \$0.00
Held: \$0.00

Drawer Transactions | Batch Transactions | Resident Transactions

Transaction Type: *DEPOSIT CASH Purpose / Reason: Receipt Amount

| Date/Time | Transaction | Description | Amount | Balance | Due | Held | Reference |
|------------|-------------|-----------------------------------|--------|---------|-------|------|------------|
| 07/25/2012 | DEPOSIT MD | MD 102035919001 MD | 100.00 | 176.68 | 0.00 | 0.00 | 07/25/2012 |
| 01/12/2012 | ERF | OID: 100053916-ComsaryRefund Reg | 23.44 | 76.68 | 0.00 | 0.00 | 01/12/2012 |
| 01/09/2012 | ERF | OID: 100052673-ComsaryRefund Reg | 51.02 | 53.24 | 0.00 | 0.00 | 01/09/2012 |
| 01/06/2012 | PHONE RE | 198195 | 1.55 | 2.22 | 0.00 | 0.00 | 01/06/2012 |
| 01/05/2012 | EPR | OID: 100053916-ComsaryPurch Reg | 23.44 | 0.57 | 0.00 | 0.00 | 01/05/2012 |
| 01/04/2012 | PAYROLL | PAYROLL WE 1-01-2012 | 10.00 | 24.11 | 0.00 | 0.00 | 01/04/2012 |
| 12/29/2011 | EPR | OID: 100052673-ComsaryPurch Reg | 61.02 | 14.11 | 0.00 | 0.00 | 12/29/2011 |
| 12/28/2011 | PAYROLL | PAYROLL WE 12-28-11 | 10.00 | 75.13 | 0.00 | 0.00 | 12/28/2011 |
| 12/28/2011 | SECUREDE | 2011513251046014237 ROBERT P... | 57.00 | 65.13 | 0.00 | 0.00 | 12/28/2011 |
| 12/22/2011 | EPR | OID: 100052487-ComsaryPurch Reg | 60.95 | 8.13 | 0.00 | 0.00 | 12/22/2011 |
| 12/21/2011 | PAYROLL | PAYROLL WE 12-21-11 | 10.00 | 68.68 | 0.00 | 0.00 | 12/21/2011 |
| 12/21/2011 | SECUREDE | 20115124469525589 ROBERT P... | 57.00 | 58.68 | 0.00 | 0.00 | 12/21/2011 |
| 12/15/2011 | EPR | OID: 100051715-ComsaryPurch Reg | 93.50 | 1.68 | 0.00 | 0.00 | 12/15/2011 |
| 12/14/2011 | PAYROLL | PAYROLL WE 12-14-11 | 10.00 | 95.18 | 0.00 | 0.00 | 12/14/2011 |
| 12/12/2011 | <MEDICAL> | MEDICAL CHARGES FOR 12-01-11 | 7.50 | 85.18 | 0.00 | 0.00 | 12/12/2011 |
| 12/12/2011 | MEDICAL | MEDICAL CHARGES FOR 12-01-11 | 7.50 | 92.68 | 7.50 | 0.00 | 12/12/2011 |
| 12/10/2011 | SECUREDE | 20115132525254527 ROBERT P... | 57.00 | 92.68 | 0.00 | 0.00 | 12/10/2011 |
| 12/08/2011 | EPR | OID: 100050992-ComsaryPurch Reg | 114.34 | 35.68 | 0.00 | 0.00 | 12/08/2011 |
| 12/07/2011 | PAYROLL | PAYROLL WE 12-07-11 | 10.00 | 150.02 | 0.00 | 0.00 | 12/07/2011 |
| 12/03/2011 | SECUREDE | 201061322536180104 ROBERT P... | 140.00 | 140.02 | 0.00 | 0.00 | 12/03/2011 |
| 12/01/2011 | EPR | OID: 100043301-ComsaryPurch Reg | 69.16 | 0.02 | 0.00 | 0.00 | 12/01/2011 |
| 11/30/2011 | PAYROLL | PAYROLL WE 11-30-11 | 10.00 | 69.18 | 0.00 | 0.00 | 11/30/2011 |
| 11/23/2011 | EPR | OID: 100045025-ComsaryPurch Reg | 89.99 | 59.18 | 0.00 | 0.00 | 11/23/2011 |
| 11/22/2011 | PAYROLL | PAYROLL WE 11-22-11 | 10.00 | 149.17 | 0.00 | 0.00 | 11/22/2011 |
| 11/21/2011 | SECUREDE | 2010613218642965908 ROBERT P... | 100.00 | 139.17 | 0.00 | 0.00 | 11/21/2011 |
| 11/17/2011 | EPR | OID: 100048194-ComsaryPurch Reg | 66.68 | 39.17 | 0.00 | 0.00 | 11/17/2011 |
| 11/16/2011 | PAYROLL | PAYROLL WE 11-16-11 | 10.00 | 105.85 | 0.00 | 0.00 | 11/16/2011 |
| 11/16/2011 | <MEDICAL> | Payment for MEDICAL on 2011-11-11 | 4.15 | 95.85 | 0.00 | 0.00 | 11/16/2011 |
| 11/16/2011 | SECUREDE | 2010613214556543065 ROBERT P... | 100.00 | 100.00 | 4.15 | 0.00 | 11/16/2011 |
| 11/15/2011 | <MEDICAL> | MEDICAL CHARGES FOR 11-07-11 | 6.35 | 0.00 | 4.15 | 0.00 | 11/15/2011 |
| 11/15/2011 | MEDICAL | MEDICAL CHARGES FOR 11-07-11 | 10.50 | 6.35 | 10.50 | 0.00 | 11/15/2011 |
| 11/10/2011 | EPR | OID: 100047390-ComsaryPurch Reg | 57.31 | 6.35 | 0.00 | 0.00 | 11/10/2011 |
| 11/09/2011 | SECUREDE | 201061320649674303 ROBERT P... | 60.00 | 63.66 | 0.00 | 0.00 | 11/09/2011 |
| 11/04/2011 | ERF | OID: 100046433-ComsaryRefund Reg | 3.34 | 3.66 | 0.00 | 0.00 | 11/04/2011 |
| 11/03/2011 | EPR | OID: 100046433-ComsaryPurch Reg | 62.20 | 0.32 | 0.00 | 0.00 | 11/03/2011 |
| 10/27/2011 | SECUREDE | 201151315741869877 ROBERT P... | 57.00 | 62.52 | 0.00 | 0.00 | 10/27/2011 |
| 10/27/2011 | EPR | OID: 100045537-ComsaryPurch Reg | 44.48 | 5.52 | 0.00 | 0.00 | 10/27/2011 |

Ready KEEFE SERVER (001)

Start Edgetalk escapes Control Center - D62CO... Keefe Commissary Network Keefe Commissary Network 9:33 PM

The System prints a receipt and a kiosk voucher

Resident Transaction Receipt
Wednesday, September 12, 2012 @21:32

=====

Officer: KCONADMIN Station: 001 Drawer:
Transaction #: 100521428 Timestamp: Sep 12, 2012 21:31:51
JACKET: Name: JONES, BOBBIEJO
00249592
Reference:

Description:
RELEASE OR CLOSEOUT TRANSACTION

Floor: 2 MAI Dorm: Cell: DOB: Jan 25, 1980

Trans Type: Date: Amount: Current Funds:
CASH KIOSK Sep 12, 2012 \$ 176.68 \$ 0.00

Resident Sig _____ Date _____
Authorized Sig _____ Date _____


Cash Kiosk Voucher
for
JONES, BOBBIEJO

Issued: 2012-09-12 21:31:52

Resident: 00249592
Amount: \$176.68
Reference: 100521427
Receipt:
Reason: RELEASE OR CLOSEOUT TRANSACTION

Please scan the barcode below at the cash kiosk
to receive \$176.68 in cash back.

Code: *7YL72XD9CT7IZJD7TUJO*



The released inmate proceeds to the release kiosk and chooses a Language Option



The Kiosk prompts the released inmate to scan his/her bar-coded receipt voucher



Once Scanned the kiosk dispensed bills and coins equal to the voucher amount



atures ▾


Cash Kiosk Voucher
for
JONES, BOBBIEJO

Issued: 2012-09-12 21:31:52

Resident: 00249592
Amount: \$176.68
Reference: 100521427
Receipt:
Reason: RELEASE OR CLOSEOUT TRANSACTION

Please scan the barcode below at the cash kiosk
to receive \$176.68 in cash back.

Code: *7YL72XD9CT7I2JD7TUJO*



The kiosk is equipped with multiple bill and coin dispensers. These are reloadable by users authorized for key management and administrator access to the kiosk menus.



Methodology and Approach

a) Initial Setup:

No other commissary vendor has assisted more DOCs from the transition from bulk to out-sourced commissary services than Keefe Commissary Network. Keefe Commissary Network was the first provider of out-sourced commissary to FL, VA, AZ, WV, RI, ND, and ME. In each instance, Keefe Commissary Network worked closely with the DOC to purchase the existing DOC inventory at the wholesale price paid by each respective DOC.

Transition Timeline

Should Keefe Commissary Network be chosen as the sole provider for commissary services for the DE DOC, we are proposing a unique and individualized setup approach for each facility.

*Please refer to **Attachment "F"** for KCN's initial setup approach and installation guidelines for each facility.*

b) Ongoing Commissary Processes:

KCN has an extensive amount of experience working with large facilities. In the Northeast alone, please see the following list of facilities in which KCN services:

- *Philadelphia Prison Systems- 8,500 Inmates*
- *Suffolk County, MA- 2,600 Inmates*
- *York County, PA- 2,300 Inmates*
- *Washington DC DOC- 2,200 Inmates*
- *Hudson County, NJ- 2,000 Inmates*
- *Essex County, NJ- 2,000 Inmates*
- *Camden County, NJ- 1,800 Inmates*
- *CEC George W. Hill, PA- 1,700 Inmates*
- *Montgomery County, PA- 1,600 Inmates*
- *Richmond City, VA- 1,400 Inmates*
- *Bristol City, VA- 1,400 Inmates*
- *Norfolk City, VA- 1,350 Inmates*

As well as the following State DOCs:

- *Virginia DOC- 31,000 Inmates*
- *Massachusetts DOC- 11,000 Inmates*
- *Rhode Island DOC- 3,800 Inmates*
- *Maine DOC- 2,300 Inmates*
- *Vermont DOC- 1,642 Inmates*

c) *Approach to setting up technology and ongoing proposed technology features:*

KCN has provided below our proposed technical timeline:

| <i>Topic</i> | <i>Description</i> | <i>KCN Responsibilities</i> | <i>Facility Responsibilities</i> |
|--------------|---|---|---|
| <i>1</i> | <i>Layout of computers:</i> <ul style="list-style-type: none"> <i>Number of facility PCs that will run KCN application</i> <i>Number of Keefe PCs that will run KCN application</i> | <ul style="list-style-type: none"> <i>KCN will provide All equipment needed, and Keefe software</i> <i>KCN to order the necessary equipment for the install</i> | <i>Facility to ensure that each facility computer has the necessary requirements</i> |
| <i>2</i> | <i>Network access</i> | <i>Work with facility staff to initiate KCN server and facility network up and running</i> | <i>With KCN tech on site, facilitate with getting KCN server on facility network</i> <i>Facility to provide static IP address for the KCN server</i> |
| <i>3</i> | <i>Remote access to the KCN server</i> | | <i>Facility to confirm VPN access and test with KCN server</i> |
| <i>4</i> | <i>Conversion of inmate data</i> | <i>Once KCN obtains the inmate data – KCN is responsible for organizing the data for importing into the KCN database – configure method of importing data</i> | <i>Facility will need to work with KCN in obtaining the inmate account data</i> |
| <i>5</i> | <i>Officers and assignments</i> | <i>Once information is provided and received from the facility, KCN will configure and setup the facility information in the KCN application. KCN will create and assign officers to user groups according to the duties.</i> | <i>Facility needs to provide KCN with the following:</i> <ul style="list-style-type: none"> <i>List of all users</i> <i>List of each users username / officer ID</i> <i>List of each user's group assignment / responsibilities / duties</i> |
| <i>6</i> | <i>Setup of general journal</i> | <i>Once chart of accounts</i> | <i>Facility needs to</i> |

| Topic | Description | KCN Responsibilities | Facility Responsibilities |
|--------------|---|--|---|
| | <i>accounts, account event transactions, and account event groups.</i> | <i>and transactions are obtained, KCN will apply these to the KCN software</i> | <i>provide KCN with a list of all general journal accounts and each transaction that effects the inmate accounts and the general journal accounts</i> |
| 7 | Charges and recoverable charges | <i>Once the charges, priority, and percentages are obtained, KCN will apply these to the KCN software</i> | <i>Facility needs to provide a list of all charges and recoverable charges that effect inmate accounts Provide the priority and percentage they would like each charge to be recovered at, at time of deposit</i> |
| 8 | <i>Order form setup with correct item assignment, spending limits, and category limits.</i> | <i>KCN to create order forms and other specifics in software before install</i> | <i>Facility needs to supply the list of order forms and any limitations 1 real order form, but multiple virtual order forms</i> |
| 9 | Training Schedule | <i>KCN to work with facility in getting a training schedule created for their users before time of install</i> | <i>Facility will need to provide to KCN a schedule showing the dates and times their users will be available for training</i> |
| 10 | Reports | <i>KCN to provide the necessary reports needed by the facility to perform their daily functions</i> | <i>Facility to provide to KCN reports that they need to operate and function</i> |

| <i>Topic</i> | <i>Description</i> | <i>KCN Responsibilities</i> | <i>Facility Responsibilities</i> |
|--------------|-----------------------------------|--|--|
| <i>11</i> | <i>Bank Account</i> | <i>KCN to ensure that KCN bank account starts with a good bank balance</i> | <i>Facility to provide KCN with Bank information</i> |
| <i>13</i> | <i>Training Classroom / Setup</i> | <i>Keefe to install KCN software onto facility training center computers or actual Keefe provided Computers. This will take place during the 1st phase with integration</i> | |

d) Management Reporting and Format

Management reporting in regards to staffing:

*Please see **Attachment “G”** for both KCN’s corporate organizational chart as well as the Edison, NJ Distribution Center organizational chart.*

Management Reporting in regards to requested report summaries:

KCN’s reporting system has a database of 4,000 customized report templates that it has generated to satisfy the needs of our customers.

Our database consists of commissary reports broken down in to two categories: Workflow report and Analytical reports. Some specific examples of the reports from each category can be found below:

Commissary Reports:

Workflow Reports include:

- *Receipts*
- *Order Summaries*
- *Rejected Items*
- *Delivery Rosters*
- *Invoices*

Analytical Reports include:

Sales and Refunds by:

- *Item*
- *Category*
- *Delivery Batch*
- *Date Range*
- *Location*
- *Inmate*

Payroll Reporting

KCN can work with the DE DOC to generate reports for the DE DOC facilities if by chance the report requested is not already present in our reports database.

*Please see **Attachment “H”** for sample KCN reports that can be generated by the KCN software.*

*There are 50 pages worth of reports in **Attachment “H”** for the DOC’s review. Should the DOC request to see a specific report to help in the evaluation of the RFP responses, KCN would promptly provide the DOC with any such report.*

Payroll Reporting

- *As all payroll transactions are recorded to the Keefe system in dual entry mode, the DOC may report on payroll either through the native KCN Payroll system or by also by transaction type in the KCN ReportViewer, or by General Ledger Account in the Keefe GL.*

Untitled - ReportViewer

File View Report Help

11/8/2012

Inmate Account Deposit and Withdrawal Summary by Transaction Type from 4/1/2012 to 4/30/2012

Opening Balance on 4/1/2012 = \$98,836.20

Changes To Inmate Accounts During the Period = \$-2,265.94

Closing Balance on 4/30/2012 = \$96,570.26

Inmate Account Summary with Details for Specified Period
11/8/2012

| | CREDITS | DEBITS | Net |
|-----------------------------------|--------------|---------------|----------------------|
| Changes to Inmate Accounts | \$142,684.58 | -\$144,950.52 | -\$2,265.94 |
| DEPOSITS | \$141,640.77 | -\$400.00 | \$141,240.77 |
| CASH PAYROLL | 8,700.00 | 0.00 | 8,700.00 |
| DEPOSIT CASH | 4,777.48 | 0.00 | 4,777.48 |
| DEPOSIT CHECK | 2,133.42 | 0.00 | 2,133.42 |
| DEPOSIT MONEY ORDER | 1,065.00 | 0.00 | 1,065.00 |
| INMATE COMMISSARY REFUND | 3,771.34 | 0.00 | 3,771.34 |
| KIOSK CASH | 17,447.27 | 0.00 | 17,447.27 |
| PHONE REFUND | 2,165.29 | 0.00 | 2,165.29 |
| REIMB FUNDS TO INMATE | 116.10 | 0.00 | 116.10 |
| REIMBURSE BOOKING FEE | 520.24 | -400.00 | 120.24 |
| SECUREDEPOSITS | 100,125.63 | 0.00 | 100,125.63 |
| TRANSFER IN TO INMATES ACCT | 34.00 | 0.00 | 34.00 |
| WESTERN | 785.00 | 0.00 | 785.00 |
| WITHDRAWALS | \$1,043.81 | -\$144,550.52 | -\$143,506.71 |
| ACCOUNT SUMMARY FEE | 0.00 | -9.20 | -9.20 |
| INMATE COMMISSARY PURCHASE | 0.00 | -105,431.97 | -105,431.97 |
| RECOVERABLE EVENT FOR BOOKING | 0.20 | -6,720.60 | -6,720.40 |
| RECOVERABLE EVENT FOR COPIES | 22.17 | -129.54 | -107.37 |
| RECOVERABLE EVENT FOR FUNERAL | 0.00 | -300.00 | -300.00 |
| RECOVERABLE EVENT FOR MEDICAL | 156.00 | -1,139.11 | -983.11 |
| RECOVERABLE EVENT FOR RESTITU | 0.00 | -77.37 | -77.37 |

For Help, press F1

Start

Untitled - ReportView... Keefe Commissary Network

NUM

2:26 PM

Untitled - ReportViewer

File View Report Help

186 of 231

Inmate Account Deposit and Withdrawal Summary for Wednesday, April 25, 2012

| DEBITS | | Credits | |
|------------------------|----------|-------------|----------------------|
| DEPOSITS | | | |
| CASH PAYROLL | | | |
| 2012-04-25 16:41:03.00 | 00269007 | MACREEN | ALFADRIANA 0.00 1000 |
| 2012-04-25 16:40:56.00 | 00010424 | BENIGUEZ | JOSE 0.00 1000 |
| 2012-04-25 16:41:04.00 | 00070044 | MCKINNON | JAMES 0.00 1000 |
| 2012-04-25 16:41:07.00 | 00015290 | RUCKER | ERNEST 0.00 1000 |
| 2012-04-25 16:41:10.00 | 00011808 | WILLIAMSON | RICARDO 0.00 1000 |
| 2012-04-25 16:41:02.00 | 00268925 | KOLOSKI | ANTHONY 0.00 1000 |
| 2012-04-25 16:40:56.00 | 00184149 | BENJAMIN | ELIAS 0.00 1000 |
| 2012-04-25 16:40:57.00 | 00035526 | BYRD | SHANNON 0.00 1000 |
| 2012-04-25 16:40:58.00 | 00269123 | COOPER | TRAVIS 0.00 1000 |
| 2012-04-25 16:41:09.00 | 00063187 | TONTODONATI | LISA 0.00 1000 |
| 2012-04-25 16:41:05.00 | 00070034 | OTURK | KORAY 0.00 1000 |
| 2012-04-25 16:40:56.00 | 00175089 | REASON | DARON 0.00 1000 |
| 2012-04-25 16:41:01.00 | 00103443 | JACKSON | DEMETHRIUS 0.00 1000 |
| 2012-04-25 16:40:59.00 | 00192949 | FERGUSON | DAVIE 0.00 1000 |
| 2012-04-25 16:41:04.00 | 00214035 | MAH | CHUNU 0.00 1000 |
| 2012-04-25 16:40:58.00 | 00218505 | DAVIS | RASHAD 0.00 1000 |
| 2012-04-25 16:41:05.00 | 00218678 | PATRICK | EWART 0.00 1000 |
| 2012-04-25 16:40:59.00 | 00222534 | GILES | DAVID 0.00 1000 |
| 2012-04-25 16:41:02.00 | 00245078 | JOHNSON | RASHON 0.00 1000 |
| 2012-04-25 16:41:03.00 | 00248226 | MAY | KELVIN 0.00 1000 |
| 2012-04-25 16:41:01.00 | 00253251 | HOLMES | DEVON 0.00 1000 |
| 2012-04-25 16:41:07.00 | 00252577 | SMON | EDDIE 0.00 1000 |
| 2012-04-25 16:41:01.00 | 00255057 | JOHNSON | BARRON 0.00 1000 |
| 2012-04-25 16:41:06.00 | 00256490 | KAINES | CALVIN 0.00 1000 |
| 2012-04-25 16:40:57.00 | 00256658 | BROWN | MARQUEL 0.00 1000 |
| 2012-04-25 16:40:55.00 | 00257487 | ACKIE | AKEL 0.00 1000 |
| 2012-04-25 16:41:09.00 | 00262618 | WALKER | LAMOND 0.00 1000 |
| 2012-04-25 16:41:07.00 | 00264413 | RUIZ | BRIAN 0.00 1000 |
| 2012-04-25 16:41:10.00 | 00069236 | WELKERSON | SHAIN 0.00 1000 |
| 2012-04-25 16:40:57.00 | 00017915 | BROWN | ANTHONY 0.00 1000 |
| 2012-04-25 16:40:55.00 | 00022350 | ALSTON | LOUIS 0.00 1000 |
| 2012-04-25 16:41:07.00 | 00105915 | SABEH | ALSAAD 0.00 1000 |
| 2012-04-25 16:41:04.00 | 00000000 | POPE | STAY 0.00 1000 |

For Help, press F1

NUM

Keefe Commissary Network

File Session Control Transactions Reports Help

General Journal Account: **PAYROLL** Type: **Asset**

Description: **CASH RECEIVABLE FOR PAYROLL**

Clear Print Make Entry

Date: 11/ 8/2012 Event ID: REIM PAYROLL Reason: Receipt: Amount:

Account List

- FUNERAL RCV
- INP COL
- INP RCV
- MEDICAL COL
- MEDICAL RCV
- PAYROLL
- 2012
- 2011
- 2010
- PHONE TIME COL
- PRIOR DEBT COL
- PRIOR DEBT RCV
- RCV_COL
- RCV_DUE
- RCV_OFS
- RES_ACCT
- RESTITUTION
- RESTITUTION COL
- RESTITUTION RCV
- SECUREDEPOSITS
- THIRD PARTY COL
- THIRD PARTY RCV
- TRANSFER
- TRANSFER OUT CO

Accounting Entries

| Year/Month | Event ID | Debit Amt | Credit Amt | Balance |
|------------|--------------|-----------|------------|-----------|
| December | PAYROLL | 8560.00 | | 8560.00 |
| December | REIM PAYROLL | | 12590.00 | -12590.00 |
| November | PAYROLL | 10610.00 | | 10610.00 |
| November | REIM PAYROLL | | 6260.00 | -6260.00 |
| October | PAYROLL | 8120.00 | | 8120.00 |
| October | REIM PAYROLL | 2060.00 | 12440.00 | -10380.00 |
| September | PAYROLL | 8400.00 | | 8400.00 |
| September | REIM PAYROLL | | 2120.00 | -2120.00 |
| August | PAYROLL | 10020.00 | | 10020.00 |
| August | REIM PAYROLL | | 15490.00 | -15490.00 |
| July | PAYROLL | 7320.00 | | 7320.00 |
| June | PAYROLL | 11540.00 | | 11540.00 |
| June | REIM PAYROLL | | 8770.00 | -8770.00 |
| May | PAYROLL | 7310.00 | | 7310.00 |
| May | REIM PAYROLL | | 11090.00 | -11090.00 |
| April | PAYROLL | 7595.00 | | 7595.00 |
| April | REIM PAYROLL | | 11275.00 | -11275.00 |
| March | PAYROLL | 9380.10 | | 9380.10 |
| March | REIM PAYROLL | | 8295.00 | -8295.00 |

Begin Balance: 26210.00 Debits: 106500.10 Credits: 123580.00 End Balance: 9130.10

Ready KEEFE SERVER (001)

Organization and Staffing

a. Project Organization, Staffing, and Role(s) of Subcontractors() (as applicable)

KCN currently employs 1757 people throughout the Country. KCN's Edison location employs 148 employees in the office and warehouse alone. 27 employees work in the office, while 121 employees service the warehouse.

Project Organization:

*Please see **Attachment "G"** for both KCN's corporate organizational chart as well as the Edison, NJ Distribution Center organizational chart.*

Staffing:

Listed below are the key members of the KCN management team that will be involved with supervising the commissary services rendered under this contract.

John Puricelli- Executive Vice President/General Manager

John Puricelli started as Business Manager at Keefe Commissary Network 15 years ago. He has held many administrative and operational positions over the years, including Chief Operations Officer of the Company, as well as VP/General Manager of Access Catalog Company before its business was combined with KCN. John has an Accounting degree from Southern Methodist University and a Masters in Business Administration concentrating in Finance from Washington University in St. Louis.

Keith Johns – KCN Vice President of Sales

Keith started his career with Keefe in 2003 as an Operations Assistant. In 2004 he was promoted to KCN Operations Manager overseeing the transition plans for large facility start-ups as well as the implementation of effective policies and procedures. In 2005, he was promoted to KCN Midwest Regional Manager with sales and operations responsibilities in 16 states. In 2010, Keith was promoted to KCN Vice President of Sales making him accountable for all KCN national sales development, marketing and customer service support. Prior to joining the company, he played professional baseball for nine years. Keith attended the University of Mississippi where he met his wife, Karri. A native of Jacksonville, Florida Keith currently resides in St. Louis with Karri and their children, Kathleene and Tripp.

Jeff Harris – Group Vice President Eastern Region of Keefe Group

*As Group Vice President for the Eastern Region, Jeff is responsible for overseeing Keefe Group's business (\$132,000,000 annually) in the Northeast (ME, NH, VT, RI, CT, MA, NY, NJ, **DE**, PA, VA, WV and MD) and manages 515 employees throughout the region. Jeff began his career with Keefe in 1998*

as an Account Manager and was promoted to Vice President of Sales in the Eastern region in 2003.

In 2007, Jeff was promoted to Regional Vice President of the Eastern Region. He was then promoted to his current position in 2009. Jeff played a major role in starting new accounts such as the Philadelphia Prison System, Massachusetts DOC, West Virginia DOC, Virginia DOC and various Massachusetts, New Jersey and Pennsylvania County facilities. Jeff received his Bachelors' degree in Sociology with a minor in Education from St. Louis University.

Max Hernandez - KCN Regional Manager

Max has been with Keefe Commissary Network for over 15 years. Prior to his current position as the KCN Regional Manager, Max was responsible for the Technical Operations associated with KCN in the Northeast region. Max has assisted in the operational and technical fields for various KCN start-ups such as the VADOC, RIDOC, MADOC, Los Angeles County Jail CA (20,000 inmates) Montgomery County Jail PA (1600 inmates), Wyatt Detention Center RI (400 inmates) and the Bergen County Sherriff's Office.

Aly Tall- Regional Warehousing & Operations Manager

Aly has been with Keefe for over 18 years. Aly is responsible for the safety and cleanliness of all warehouses and on-site facilities in the Northeast region. Aly is also responsible for training Warehouse and Commissary Managers in accordance with Keefe Best Business Practice Guide. Aly has been involved on moving and opening five warehouses over the years. Aly has been a major part of the startup of major accounts such as the VA DOC, RI DOC and MA DOC.

Betty Abode-Duffie - KCN Operations Manager

Betty has been with Keefe Supply Company for 11 years. Betty started with Keefe as a warehouse employee pulling KCN orders. Betty then moved on to become KCN's "on-site" employee at Union County Jail. At Union, Betty was responsible for scanning, delivering orders and handling inmate grievances. Currently Betty manages all of KCN's on-site employees which include 144 full-time employees and 77 part-time employees. Betty has been a vital part of implementing and maintaining operations in the Northeast Region.

Chris Rode - Account Manager

Chris has been with Keefe Supply Company for over six years. Chris currently covers the State of Maryland and Delaware, New York City DOC and accounts in Long Island. His responsibilities include the marketing and sales of Keefe's products and services along with on-going customer support and assistance. Before coming to Keefe, Chris was an Account Manager with Courtesy Products for over a year.

Job Responsibility:

- 1. Daily liaison between the facility/contract manager and Keefe, NJ.*
- 2. Menu selection and price negotiation between Keefe and the facility/Contract Manager.*
- 3. Daily maintenance of the commissary contract.*

John Vitale- Vice President, Technical Services

John directs the Technical Services division of KCN, including customer startups; project management, new technology implementation, and customer help desk support. John is the original architect of KCN's software systems. John plays an ongoing consulting role in current software initiatives including Warehouse Systems, Point of Sale, online deposits, and kiosks, deployment infrastructures. John established, and continues to direct ongoing customer support to over 650 customer accounts, including Call Center and Project Management. John established and continues to direct Data Center operations responsible for over 900,000 inmate orders per month, and all related infrastructure for Call Center and Corporate Office Development and support environments. John holds a Master's Degree in Accounting from the University of Missouri. He came to KCN from our parent company, Enterprise Rent-A-Car, where he founded the Personal Computing Department.

Chris Collins- Software Development Manager

Chris manages the software development department at KCN. His department is responsible for the design, development and maintenance of all KCN software products and associated source code. The software products encompass an ever expanding range of functions including inmate banking, general ledger, check writing, bank reconciliation, on-line deposits, kiosks for inmate and family member use, various point of sale technologies, property management, and product inventory control, on-line lookup technologies and over 50 various integration options with partner systems providers. Chris majored in electrical engineering and computer science at St. Louis University. He began working at KCN as a technical coordinator, and within a year he took an interest in software development, eventually converting the KCN code base from OS/2 to Windows, and then leading the development of all new features to the KCN software suite.

Tricia Boucher- Director of Technical Services

Tricia manages the technical services department at KCN. Her department is responsible for all KCN software installs and upgrades including training to the facility users and ongoing technical support along with the quality assurance testing involved for all new programs and services that are introduced / implemented in the field. Tricia began working as a technical coordinator at KCN in 1999. Her experience with this and other major project startups including the States of Florida and West Virginia and large counties such as Philadelphia, Denver, and Dallas and her outstanding dedication to customer service and employee development earned her the promotion to manager in 2006. Tricia holds a Bachelor of Science degree in Business Management from the University of Missouri and an Associate's degree in Electronics Engineering from ITT.

Products

Products:

Keefe and KCN currently operate 16 distribution centers totaling 1,478,471 square feet. We ship over 18 million pounds of inventory per month, and carry over \$80 million in inventory for consumption and use in the correctional environment.

*Over the past 34 years, Keefe has created a correctional commissary market which did not exist. From our first coffee sales in a nonmetal container back in 1974 to our most recent line of can-less pouch products, Keefe continues to lead the industry in product innovation. Keefe is both the leading supplier of **name brand** products and the manufacturer of **private label goods as well**. KCN has pioneered many products designed especially for the prison industry. In fact, KCN worked with food packagers to create the first tuna fish in a pouch product. KCN provided tuna in a pouch to the correctional industry one year prior to Starkist bringing their product to the retail market. KCN has a team of seven dedicated product development staff whose sole job duty is to create new “correctional friendly/security conscious” commissary products every day. The product development team works directly with KCN’s packaging plant in St. Louis (Keefe Manufacturing) to package our own products that are specifically designed only for correctional commissary consumption and are packaged with correctional security in mind. Our private label brands include E.Z. Digby’s bagged candy, Cactus Annie, Keefe Kitchens, Snack Legends, Brushy Creek, Fresh Catch and Ryan’s Ranch food lines as well as Next 1 and New Day hygiene products. KCN also pioneered the development of clear packaging. All items are individually wrapped and dated for individual consumption. Each item is designed and/or selected with quality, security and safety in mind. Our products go beyond industry standards and in many cases have higher nutritional values or more active ingredients (hygiene items) than name brands.*

Below are a few product bullets that address the specific needs of the correctional market:

- *Clear Packaging (most products)*
- *Many products kosher and Halal certified*
- *Name **brand** items in clear and /or re-sealable packages, including **Kool-Aid, Tang, Country Time, Nescafe, Nestea, Maxwell House, Velveeta** line*
- ***Ritz Top-ems** in a 5.33-oz size – a better size for our market than the standard 16-oz*
- *Squeeze-ums condiment strips...provides the advantage of single serve, but offered as a “strip” of 12 together, so they don’t have to count out individual condiment packs.*
- *Full line of 11 Brushy Creek ready-to-eat meals in pouches, rather than security risks of cans.*
- *Full line of 13 Fresh Catch Seafood items in pouches, rather than security risk of cans.*
- *Ramen instant noodles with clear windows on film*
- *Snack Cakes in multi-pack boxes with clear window, to stop contraband from being hidden inside*
- *Cool Wave Toothpaste in clear tube (ADA certified)*
- *Power-Up deodorant line, all with clear barrels*
- *Clear bottles for New-Day pharmaceuticals*
- *Clear electronics under brands including **Sony, GPX, Jensen***

- *Next 1 Soaps, Hair Care and Lotions include a number of key features:*
 - *Large dispensing closure to reduce squirting of products*
 - *Heat seal/tamper proof liner*
 - *Clear Container*
 - *No animal by-products*

The following is a “clear” example of our dedication to providing products that are designed for specific use in the correctional environment:



KCN supplies BOTH name brand and private label products, with the best variety in the industry. We work specifically with retail manufacturers to develop correctional friendly products.

a. List of Proposed Products as related to this proposal

Please see Attachment “I” for KCN’s complete listing of all products available to the Delaware DOC. This can be used to pick new products to offer the inmate population.

b. Proposed Pricing and Commission Structure

Proposed Menu:

KCN will be utilizing a uniform pricing structure throughout each DE DOC facility as requested in the Questions and Answers for this RFP.

Please see Attachment “J” for KCN’s proposed commissary menu for all options in which facilities would run off-site/ on-site.

KCN will meet with the DOC to review and revise the menu to the liking of the DOC.

Commission Structure:

Below is a breakdown on how commissions are determined:

Commissions will be based on the weekly adjusted gross commissary sales. Adjusted gross sales are gross sales less adjustments/credits, postage sales or other Non-commission sales.

*Monthly Sales
 Less Adjustments/Credits
 Less Postage/Non-Commission Sales
 (i.e. Tobacco, Stamped Env., Doctor's Visits, Haircuts, & Non-Keefe Sales)
 = Adjusted Gross Sales (Commissionable Sales)*

*Adjusted Gross Sales (Commissionable Sales)
 Multiplied by Percent of Commissions Offered
 = Proceeds to the DOC*

**Adjustments are Credits from shortages/damages and released Inmates input into the KCN System*

**Postage Sales or stamped envelopes are non-commission sales*

Sample Calculation:

| | |
|--|---------------------|
| <i>Gross Sales for the Week</i> | <i>\$10,000</i> |
| <i>Less Adjustments/ Credits</i> | <i>\$100</i> |
| <i>Less Non Commission Sales</i> | <i><u>\$400</u></i> |
| <i>= Commissionable Sales</i> | <i>\$9,500</i> |
| <i>Commission Percent to the DOC (20%)</i> | <i>\$1,900</i> |

***KCN will be proposing different commission structures to each DE DOC facility.
 Each DOC facility is unique in the amount of technology in place, the inmate population, as well as the preferred operational plan.***

Because of the above reasons, KCN is proposing the following commissions to the facilities.

Proposed Commission Rates:

Option 1:

The commission percentages listed in this option can be utilized if KCN is awarded ALL four DE DOC facilities and ALL facilities wish to operate off-site. All orders would be pulled from a newly opened Delaware based warehouse.

| <i>Facility</i> | <i>Operational Method</i> | <i>Commission Percentage</i> |
|------------------------|----------------------------------|-------------------------------------|
| <i>Sussex</i> | <i>Off-site</i> | <i>19%</i> |
| <i>Baylor Women's</i> | <i>Off-site</i> | <i>25%</i> |
| <i>Howard R. Young</i> | <i>Off-site</i> | <i>14%</i> |
| <i>James T. Vaughn</i> | <i>Off-site</i> | <i>16.25%</i> |

Option 2:

The commission percentages listed in this option can be utilized if James T. Vaughn and Howard R. Young are both operated on-site and Sussex and Baylor are pulled off-site from our Edison warehouse.

| <i>Facility</i> | <i>Operational Method</i> | <i>Commission Percentage</i> |
|------------------------|----------------------------------|-------------------------------------|
| <i>Sussex</i> | <i>Off-site</i> | <i>19%</i> |
| <i>Baylor Women's</i> | <i>Off-site</i> | <i>25%</i> |
| <i>Howard R. Young</i> | <i>On-site</i> | <i>28%</i> |
| <i>James T. Vaughn</i> | <i>On-site</i> | <i>25%</i> |

Option 3:

The commission percentages listed in this option can be utilized if Sussex, Baylor and James T. Vaughn utilize an off-site operation pulled from our Edison warehouse and Howard R. Young remains an on-site operation.

| <i>Facility</i> | <i>Operational Method</i> | <i>Commission Percentage</i> |
|------------------------|---------------------------|------------------------------|
| <i>Sussex</i> | <i>Off-site</i> | <i>19%</i> |
| <i>Baylor Women's</i> | <i>Off-site</i> | <i>25%</i> |
| <i>Howard R. Young</i> | <i>On-site</i> | <i>28%</i> |
| <i>James T. Vaughn</i> | <i>Off-site</i> | <i>16.25%</i> |

Option 4:

The commission percentages listed in this option can be utilized if Sussex, Baylor and Howard R. Young utilize an off-site operation pulled from our Edison warehouse and James T. Vaughn remains an on-site operation.

| <i>Facility</i> | <i>Operational Method</i> | <i>Commission Percentage</i> |
|------------------------|---------------------------|------------------------------|
| <i>Sussex</i> | <i>Off-site</i> | <i>19%</i> |
| <i>Baylor Women's</i> | <i>Off-site</i> | <i>25%</i> |
| <i>Howard R. Young</i> | <i>Off-site</i> | <i>14%</i> |
| <i>James T. Vaughn</i> | <i>On-site</i> | <i>25%</i> |

Option 5:

James T. Vaughn- Bulk for Technology

| <i>Facility</i> | <i>Operational Method</i> | <i>Commission Percentage</i> |
|------------------------|-----------------------------------|--|
| <i>Sussex</i> | <i>Off-site</i> | <i>19%</i> |
| <i>Baylor Women's</i> | <i>Off-site</i> | <i>25%</i> |
| <i>Howard R. Young</i> | <i>Off-site OR On-site</i> | <i>14% OR 28%</i> |
| <i>James T. Vaughn</i> | <i>Bulk for Technology</i> | <i>Facility can continue to utilize their current mark-up to the inmate population</i> |

*In this option, KCN is offering the technology listed on **page 70** in exchange for all bulk ordering to be done through Keefe Commissary Network. This will allow James T. Vaughn to maintain its current operation, while obtaining a state of the art technology package to facilitate its current day to day commissary operations. KCN will still provide its 24/ 7/ 365 customer support for the duration of the contract as with any other options listed above. Given the fact that KCN does not have to employ any commissary staff on-site, we can provide products at a lower cost than an on-site/ off-site operation. This option is assuming that James T. Vaughn will continue to utilize its staff to operate daily commissary functions and that all products being offered through the commissary are ordered through Keefe Commissary Network. If James T. Vaughn chooses this option, pricing between KCN and the facility will be negotiated for all bulk products.*

When judging the amount of revenue each Delaware Department of Corrections facility will receive from each vendor's proposed commission, it is important to keep in mind what commission percentages really mean in commission dollars.

The more commission dollars, the more revenue generated by the DE DOC. It is important to note however, that a higher commission DOES NOT ALWAYS EQUAL GREATER REVENUE.

Please see below for three examples of how KCN's commission rates gain revenue for three customers, one being the DE DOC's own, BWCI.

Sales Numbers and Monthly Return to the DOC:

It has been proven that when KCN takes over commissary operations at a new facility, sales increase. A few major contributors to this fact are: our large amount of inventory made available to our customers and our consistent 99% fill rate which eliminates the amount of credits/ returns. The DOC's own Baylor Women's Correctional Facility is a perfect example of how KCN was able to increase sales and commission return in comparison to the previous vendor. Please see the following chart portraying sales figures from BWCI's previous vendor and KCN's sales numbers just a year later.

| <i>Month</i> | <i>Previous Vendor Net Sales</i> | <i>Month</i> | <i>KCN Net Sales</i> |
|----------------------|----------------------------------|----------------------|------------------------|
| <i>January 2011</i> | <i>\$19,598</i> | <i>January 2012</i> | <i>\$23,643</i> |
| <i>February 2011</i> | <i>\$20,926</i> | <i>February 2012</i> | <i>\$26,049</i> |
| <i>March 2011</i> | <i>\$25,415</i> | <i>March 2012</i> | <i>\$33,548</i> |

For each month, sales have increased by at least \$4,000.00. When doing a comparison of sales from March 2011 and March 2012, one will see an increase of \$8,133.00.

When inmates increase their buying and sales begin to increase, a higher commission does not always equal a higher return to the DOC.

For example:

*Vendor #1: If monthly sales are \$25,000 and the commission offered is 20%, the return to the DOC would be **\$5,000.***

*Vendor #2: However, with an increase in sales of \$8,000 (due to greater variety in products and ability to meet fill rates), monthly sales would be \$33,000. If an 18% commission is offered, return to the DOC would be **\$5,940.***

*Although vendor #1 is offering a 20% commission, the DOC is actually receiving **\$940.00 more** revenue dollars from vendor #2, whom is offering a lower, 18% commission.*

| <i>Vendor</i> | <i>Monthly Spending</i> | <i>Commission %</i> | <i>Return to DOC</i> |
|------------------|-------------------------|---------------------|-----------------------|
| <i>Vendor #1</i> | <i>\$25,000</i> | <i>20%</i> | <i>\$5,000</i> |
| <i>Vendor #2</i> | <i>\$33,000</i> | <i>18%</i> | <i>\$5,940</i> |

\$5,940- \$5,000= \$940 more revenue dollars by utilizing company with increased product selections and ability to meet optimum fill rates.

The Philadelphia Prison System is another great example of proven increased sales after KCN takes over an account.

Philadelphia Prison System Gross Sales Comparison

| <i>Date</i> | <i>**Previous Vendor Gross Sales</i> | <i>Date</i> | <i>KCN Gross Sales</i> | <i>Difference</i> |
|---------------------------|--------------------------------------|---------------------------|------------------------|------------------------------|
| <i>Mar-10</i> | <i>\$660,135.00</i> | <i>Mar-11</i> | <i>\$724,922.00</i> | <i>\$64,787.00</i> |
| <i>Apr-10</i> | <i>\$510,122.00</i> | <i>Apr-11</i> | <i>\$565,147.00</i> | <i>\$55,025.00</i> |
| <i>May-10</i> | <i>\$521,060.00</i> | <i>May-11</i> | <i>\$618,567.00</i> | <i>\$97,507.00</i> |
| <i>Jun-10</i> | <i>\$550,199.00</i> | <i>Jun-11</i> | <i>\$624,756.00</i> | <i>\$74,557.00</i> |
| <i>Jul-10</i> | <i>\$440,496.00</i> | <i>Jul-11</i> | <i>\$572,233.00</i> | <i>\$131,737.00</i> |
| <i>Aug-10</i> | <i>\$492,888.00</i> | <i>Aug-11</i> | <i>\$668,431.00</i> | <i>\$175,543.00</i> |
| <i>Sep-10</i> | <i>\$530,461.00</i> | <i>Sep-11</i> | <i>\$595,043.00</i> | <i>\$64,582.00</i> |
| <i>Oct-10</i> | <i>\$447,430.00</i> | <i>Oct-11</i> | <i>\$642,566.00</i> | <i>\$195,136.00</i> |
| <i>Total</i> | <i>\$4,152,791.00</i> | <i>Total</i> | <i>\$5,011,665.00</i> | <i>\$858,874.00</i> |
| <i>Average per Month</i> | <i>\$519,098.88</i> | <i>Average per Month</i> | <i>\$626,458.13</i> | <i>\$107,359.25</i> |
| <i>Estimated per Year</i> | <i>\$6,229,186.50</i> | <i>Estimated per Year</i> | <i>\$7,517,497.50</i> | <i>\$1,288,311.00</i> |

*****Previous Vendor sales numbers were provided in Addendum #1 of the Commissary RFP issued by the PPS on 1/26/2011***

Example: If KCN offered a commission of 25% it would give the PPS a commission of \$1,879,374 per year based off KCN's annual sales.

If the previous vendor offered a commission of 29% it would give the PPS a commission of \$1,806,463 per year based off the previous vendor's annual sales.

If the PPS went with the additional 4 points in commission they still would have made \$72,911 less in commissions paid to the city.

Software and Technology

a) Proposed Software Features and Functions

Software and Technology Features

The KCN KeepTrak™ Inmate banking keeps accurate and complete records of all inmate and commissary activities through a system that includes the following features:

Inmate Account Activation

- *Automated through JMS/OMS interfaces*
- *Directly from the KeepTrak Banking Intake Feature*

Deposits

- *Cash, Check, Money Order, Web, Phone, Kiosk, Ace, Western Union*
- *Automated, entered directly, or entered in batches*
- *Holds on use of funds from specified deposit types (checks, money orders) for defined periods of time*

Withdrawals

- *Cash, Check, Money Order, Purchases, Charges, Debit Cards*

Recoverable Charges and Fees

- *Recovery Types prioritized to match collection rules within the jurisdiction*
- *Charges can be entered in a number of ways*
- *Automated through the Inmate Procedures Feature*
- *Interfaces to Medical systems*
- *Directly as charges occur*
- *Invoicing for open recoverables at release*
- *Collection of open recoverable on re-admit*

Encumbrances and Savings

- *For court-ordered payments*
- *For release*

Inmate Financial Responsibility Programs

- *Restitution*
- *Child Support*

Payroll

- *Automated through interfaces to payroll systems*
- *Directly through the payroll processing panel*

Account Freezes

- *Disciplinary and Investigative*

Abandoned Funds Processing

- *Stale Balances forwarded to State after specified periods of inactivity*

Check Expirations

- *Search, Selection and automated void of stale dated checks with abandoned amounts forwarded to State*

Multiple Releases

- *To transfer a number of inmates with a single check*

Cash Flow Management

- *Complete Audit Trail and Workflow from deposit to inmate account through Bank Reconciliation*
- *Integrated Real Time Cash Intake Kiosk*
- *Accounts Payable*
- *Reconciliation of Bills and Disbursements*

BankLink Positive Pay

- *Submission of issued / voided checks for fraud detection*
- *Receipt of cleared checks / deposits for automation of Bank Reconciliation*

Bank Reconciliation

- *Bank to Book interactive or automated*
- *Adjusting entries for fees and/or interest*

Trial Balance

- *Reconciled Cash Position vs Claims on Cash including Inmate depository accounts and open payable amounts*
- *Flexibility of reconciling to any date-span period*

Full Real Time General Ledger and Reporting

- *Dual Entry Accounting with GAAP Account Classification*

DirectLink Trust

- *Immediate Debit to Trust Account on completion of phone call*

DirectLink Vending

- *Immediate Debit to Trust Account on completion of vending a commissary product*

This includes the following in which KCN KeepTrak™ Inmate Banking Complies:

- *General Ledger with Automatic Dual Accounting Posting*
- *General Ledger Reporting for all Ledger Accounts*
- *Date Specific Reports for all Ledger Accounts*
- *Provide for a Trial Balance to be run at any time*
- *Fiscal Year Maintenance with End of Month Reporting*
- *Checkbook Reconciliation with Multiple Checkbook Capabilities*
- *Inmate Receivables Function Complete with Reports Section*
- *Inmate Payroll Function Complete with Reports Section*
- *Automatic Check Writer with MICR Check Writing*
- *Inmate Savings Feature Complete with Reporting Section*
- *Reconciliation Reports of Sub Ledger to General Ledger Accounts*
- *Provide for an Automatic Checkbook Reconciliation Function*
- *Commissary Inventory Function with Reports Section*
- *Inmate Property Function with Reports Section*
- *Allows for Debt to be collected based upon a percentage of incoming funds to be determined by the facility*
- *Allows for collected funds to be applied to debts either by priority, percentage, or both as defined by the facility*
- *The System must always be in Balance within the General Ledger*
- *Provide reports on cash drawer balancing and balance history*
- *Provide reports on commissary orders, order rejections, commissary sales and products offered*
- *Provide reports of frozen inmate accounts or accounts with administrative holds or other facility designated restrictions*

- *Provide account summaries (both individual and facility including transaction history)*
- *Provide for Reclamation of checks automatically*
- *Provide for reports on all checkbook activity by operator defined criteria*
- *Provide reports based on user definable date time periods*
- *Provide for Inactivity Maintenance to include reporting and reclamation of monies*
- *Provide for Inmate Intake and Release Reporting*
- *Allow for Multiple Checkbooks to be set up*
- *Provide for Facility & Operator Log Reports*
- *Allow for the assignment of a PCSO designated permanent identifier to each inmate*
- *Allow for specific deductions to be assigned to individual accounts with an “automatic” collection per facility designated criteria*
- *Allow for the input of inmate address and phone contact information for the purpose of generating invoices and receiving payments for debt after inmate release*
- *Allow for inmate releases to be done by Check, Cash or Money Order, Cash, Cashier’s Check, Credit or Debit Card, or a combination as determined by the facility*

KCN has included a CD with this proposal response that has a training tools used to outline our KCN accounting software.

*Please see **Attachment “K”** for more detail of KCN’s inmate accounting software.*

b) Hardware and Software Requirements and Platforms

KCN will be providing its KCN inmate accounting software to the Delaware Department of Corrections at **ZERO COST**.

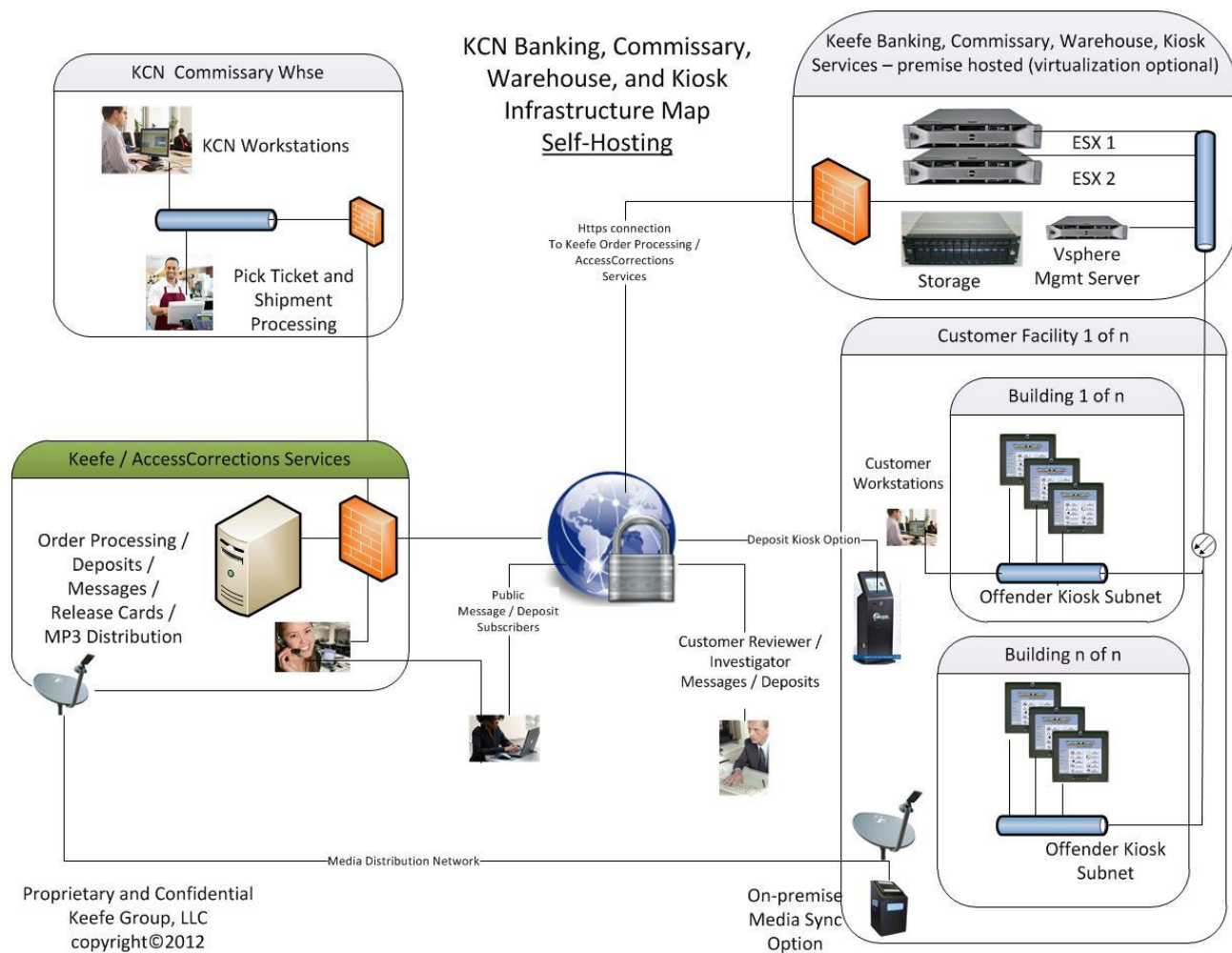
All hardware listed below will come at **NO COST** to the Delaware Department of Corrections.

KCN has provided a table below to illustrate all hardware being offered to the DE DOC.

| <i>Baylor Women's</i> | <i>Howard R Young</i> |
|---|---|
| <ul style="list-style-type: none"> • 1 Lobby Kiosk • 1 Booking Kiosk • 14 Edge® Housing Unit Kiosks • 4 Dell Optiplex 790, 2.66 GHz Core 2 Duo, 2 GB RAM, 160 GBHD • 1 Dell PowerEdge® R720, Intel Xeon E5-2603 1.8 GHz, 4 GB RAM, 5x300 GBHD, 80 GB part. • 3 Dell Laser 2350dn • 1 OpScan 4 Scanner • 1 Debit Card Reader • 1 Release Kiosk | <ul style="list-style-type: none"> • 1 Lobby Kiosk (If facility wants it) • 1 Booking Kiosk • 37 Edge® Housing Unit Kiosks • 8 Dell Optiplex 790, 2.66 GHz Core 2 Duo, 2 GB RAM, 160 GBHD • 1 Dell PowerEdge® R720, Intel Xeon E5-2603 1.8 GHz, 4 GB RAM, 5x300 GBHD, 80 GB part • 1 HP Laser Jet P3015N - MICR Printer • 8 Epson Receipt Printer - Thermal (TM-T88IV) USB - (Keeptrak inmate financial & commissary) • 1 Dell Laser 2350dn • 1 OpScan 4 Scanner • 1 Debit Card Reader • 1 Release Kiosk |
| <i>James T Vaughn</i> | <i>Sussex Correctional</i> |
| <ul style="list-style-type: none"> • 1 Lobby Kiosk • 1 Optical Scanner • 1 Booking Kiosk • 45 Edge® Housing Unit Kiosks • 6 Dell Optiplex 790, 2.66 GHz Core 2 Duo, 2 GB RAM, 160 GBHD • 1 Dell PowerEdge® R720, Intel Xeon E5-2603 1.8 GHz, 4 GB RAM, 5x300 GBHD, 80 GB part. - • 1 HP Laser Jet P3015N - MICR Printer • 6 Dell Laser 2350dn • 1 Debit Card Reader • 1 Release Kiosk • 1 OpScan 4 Scanner | <ul style="list-style-type: none"> • 1 Lobby Kiosk • 1 Booking Kiosk • 34 Edge® Housing Unit Kiosks • 10 Dell Optiplex 790, 2.66 GHz Core 2 Duo, 2 GB RAM, 160 GBHD • 1 Dell PowerEdge® R720, Intel Xeon E5-2603 1.8 GHz, 4 GB RAM, 5x300 GBHD, 80 GB part • 1 HP Laser Jet P3015N - MICR Printer • 8 Epson Receipt Printer - Thermal (TM-T88IV) • 3 Dell Laser 2350dn • 1 Debit Card Reader • 1 Release Kiosk • 1 OpScan 4 Scanner |

Hardware and Software Requirement Platforms:

Please refer to the following diagram, which depicts the premise-based positioning of the Inmate Banking and Inmate Kiosk intranet website systems, and the centrally hosted public service and warehouse fulfillment systems. Other infrastructure and server platform templates are available.



Work Plan

a. Personnel Requirements,

Inmate Labor:

KCN will pay for Inmate Labor utilized by KCN. KCN will pay for inmate labor utilized at the current rate of \$52.80 per month. KCN will be utilizing 31 inmate workers (see breakdown below). KCN estimates that it will save the DOC \$19,642 per year by paying for inmate labor.

| <i>BAYLOR WOMEN'S</i> | <i>HOWARD R. YOUNG</i> |
|---------------------------------|-----------------------------------|
| <i>None</i> | <i>12 Inmate Workers</i> |
| <i>JAMES T. VAUGHN</i> | <i>SUSSEX CORRECTIONAL</i> |
| <i>16 Inmate Workers</i> | <i>3 Inmate Workers</i> |

KCN Employees:

KCN will hire KCN employees to service the DE DOC facilities. Please note: If the DE DOC is happy with the current service of the employees at each facility, KCN will offer interviews to these employees.

| <i>BAYLOR WOMEN'S</i> | <i>HOWARD R. YOUNG</i> |
|--|--|
| <i>3 part time employees</i> | <i>1 Commissary Manager and 2 Full-time Employees</i> |
| <i>JAMES T. VAUGHN</i> | <i>SUSSEX CORRECTIONAL</i> |
| <i>1 Commissary Manager and 5 Full-time Employees</i> | <i>1 Commissary Manager and 1 Full-time Employee</i> |

b. Summary Work Schedule

Given the information provided from the questions and answers of this RFP, KCN has provided a delivery schedule outlining each DE DOC facility, the day of the week product will be shipped as well as the day of the week orders will be delivered to the housing units.

Unfortunately, we were not provided with a breakdown of all of the housing units for each facility, however KCN will work with the DOC to mimic the current delivery schedules that are in place at each DE DOC facility.

| Baylor Women's Correctional | | | | | | |
|---|----------|----------|----------|-----------|----------|----------|
| | <i>M</i> | <i>T</i> | <i>W</i> | <i>Th</i> | <i>F</i> | <i>S</i> |
| KCN Truck Delivers to Facility | | | | | | X |
| KCN deliver to Inmates | | | | | | X |
| <i>Orders will be delivered to inmates between 8:00am and 4:00 pm</i> | | | | | | |
| Howard R. Young Option 1 | | | | | | |
| | <i>M</i> | <i>T</i> | <i>W</i> | <i>Th</i> | <i>F</i> | <i>S</i> |
| KCN Truck Delivers to Facility | X | | X | | | |
| KCN deliver to Inmates | X | X | X | X | X | |
| <i>Orders will be delivered to inmates between 8:00am and 4:30 pm</i> | | | | | | |
| Sussex Correctional | | | | | | |
| | <i>M</i> | <i>T</i> | <i>W</i> | <i>Th</i> | <i>F</i> | <i>S</i> |
| KCN Truck Delivers to Facility | | X | | X | | |
| KCN deliver to Inmates | | X | X | X | X | |
| <i>Orders will be delivered to inmates between 8:00am and 4:30 pm</i> | | | | | | |
| Howard R. Young Option 2 | | | | | | |
| | <i>M</i> | <i>T</i> | <i>W</i> | <i>Th</i> | <i>F</i> | <i>S</i> |
| Freight Line Delivers | X | | | | | |
| KCN deliver to Inmates | X | X | X | X | X | |
| <i>Orders will be delivered to inmates between 8:00am and 4:30 pm</i> | | | | | | |

James T. Vaughn Option 1

| | <i>M</i> | <i>T</i> | <i>W</i> | <i>Th</i> | <i>F</i> | <i>S</i> |
|---|----------|----------|----------|-----------|----------|----------|
| KCN Truck Delivers to Facility | X | | X | | | |
| KCN deliver to Inmates | X | X | X | X | X | |
| <i>Orders will be delivered to inmates between 8:00am and 4:30 pm**</i> | | | | | | |

James T. Vaughn Option 2

| | <i>M</i> | <i>T</i> | <i>W</i> | <i>Th</i> | <i>F</i> | <i>S</i> |
|---|----------|----------|----------|-----------|----------|----------|
| Freight Line Delivers | X | | | | | |
| KCN deliver to Inmates | X | X | X | X | X | |
| <i>Orders will be delivered to inmates between 8:00am and 4:30 pm**</i> | | | | | | |

James T. Vaughn Option 3

A Freight Line will Deliver bulk orders to James T. Vaughn on a Mutually Agreed upon time between the facility and KCN

****KCN will be open to delivering to inmates during the night if this best suits the James T. Vaughn Correctional Center.**

To all DE DOC facilities, please note: This is merely a PROPOSED work schedule. It is KCN's job to work with the needs of the DE DOC and make the job's of facility staff easier. KCN can further customize this delivery schedule to fit the needs of the DE DOC.

Background and Experience

a. Company Background

The Centric Group

The Centric Group Limited Liability Company (L.L.C.), formerly known as the Enterprise Capital Group, was established in 1974 to diversify the financial interests of the Jack C. Taylor family, owners of Enterprise Rent-A-Car. Centric Group L.L.C. was formed in July, 1999 when the Enterprise Capital Group was spun out from Enterprise Rent-A-Car. The Centric Group is the managing parent company of four (4) principal businesses: the Keefe Group, Boone Valley Golf Club, Inc., Courtesy Products/Packaging and TRG Group. Combined, the Centric Group achieved sales of over \$793 million in 2011, with 2,515 employees. The Keefe Group, comprised of Keefe Supply Company, Access Catalog Company L.L.C. and Keefe Commissary Network L.L.C., is the major contributor to Centric Group's revenues with staffing of 2,135 employees nationwide and 2011 sales of \$683 million. KCN alone employs 1,738 employees and achieved 2011 sales revenues of \$299 million.

Keefe Supply Company (Keefe): Bulk sale operations to in-house correctional commissaries



Keefe, a member of Keefe Group, has been servicing the commissary needs of the corrections industry since 1974. In its 38 year history, Keefe has become the leading manufacturer and distributor to the correctional market, serving 1,352 institutions nationwide. Responsive customer service, high quality products, and value have been the key reasons why customers value our offerings above those of our competitors.

Keefe Commissary Network/KCN: Provider of Outsourced/Privatized Correctional Commissaries



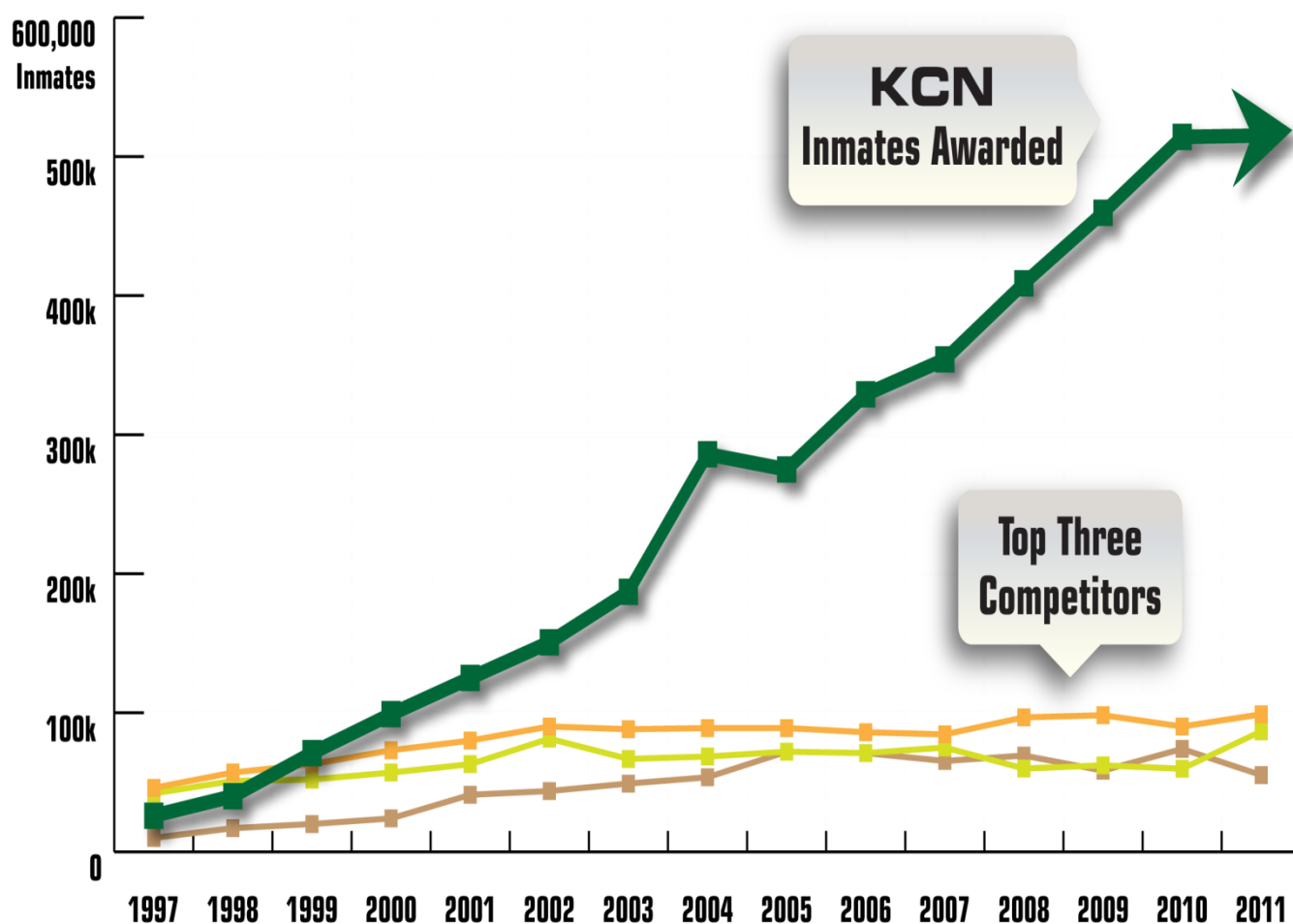
KCN is the largest supplier of privatized commissary operations in the United States. KCN services over 760 facilities across the country and serves more inmates than all of our competitors combined, partnering with over 57% of the out-sourced correctional commissary inmates nationally.

Clearly, Keefe Commissary Network's experience and history illustrate why we are the undisputed Commissary Expert. No other company can match our vast and diverse customer base, 38 years of experience in the corrections industry, customizable innovative technology, or quality services and products designed specifically for the corrections market. The financial stability of KCN, as evidenced by our company history, means we are committed to the Delaware Department of Correction's success for the long term. In summation, NO other provider has the experience, history, expertise, market share or resources at their disposal to provide the best service to the Delaware Department of Corrections than Keefe Commissary Network!

Below are the highlights of KCN's history:

- KCN is currently partnered with over 760 correctional facilities nationwide totaling over 501,000 inmates, in 43 states.
- At the state level, KCN has partnered with the ten states (totaling nearly 200,000 inmates) that have outsourced their commissary service operations (AZ, ID, FL, MA, ME, MS, RI, WV, VA, and VT).
- KCN employs over 1,750 employees with 2011 sales revenues of \$299 million.
- KCN services more inmates than all of its competitors combined.
- During its history, KCN has grown more rapidly than the market itself, increasing its market share by offering superior technology, services and product value.
- KCN's entire inmate trust accounting system is utilized by approximately 50% of our customers.

The graphic following illustrates the current commissary market with KCN's growth relative to other providers. KCN is clearly the leading and most preferred commissary provider nationwide!



KCN views each account as a true partnership. Our company mission statement of "Serving our Customers with Integrity and Innovation" resonates with everything we do.

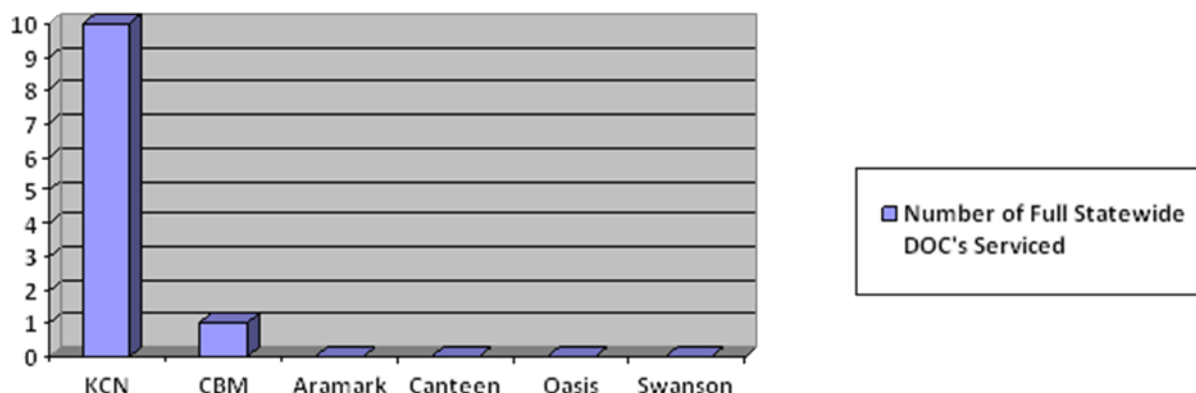
National Experience with Large Facilities Nationwide

Below is a chart showing our number of large facility partners across the nation. KCN is consistently chosen over all other providers.

| <i>Commissary Company</i> | <i>1,000-2,999 Inmate Facilities</i> | <i>3,000-5,000 Inmate Facilities</i> | <i>5,000+ Inmate Facilities</i> |
|--------------------------------------|--|--|---|
| <i>Keefe Commissary Network</i> | 66 | 8 | 5 |
| <i>ALL OTHER PROVIDERS COMBINED!</i> | 44 | 5 | 2 |

c. Experience in Similar Projects (Description of Past and Current Projects)

KCN services ten out of the eleven privatized state Department of Corrections.



KCN services more state Department of Corrections than
ALL OF OUR COMPETITORS COMBINED.

KCN services more inmates in the industry than
ALL OF OUR COMPETITORS COMBINED.

Please see below for an overview of the operational plan for each KCN DOC account:

| KCN State DOC's | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|--|------------------|-----------------------|-----------------------|-------------------|-----------------------|-----------------------|
| | VA DOC | FL DOC | RI DOC | WV DOC | MA DOC | VT DOC | AZ DOC | ID DOC | MS DOC | ME DOC |
| Inmate Pop | 31,000 | 88,000 | 3,800 | 5,020 | 11,000 | 1,640 | 34,310 | 5,280 | 15,055 | 2,200 |
| Pulled at KCN warehouse or facility | VA Facility | FL Facility | RI Facility | 5 WV facility; 4 KCN facility | KCN warehouse | KCN ware- house | KCN ware- house | ID Facility | KCN ware- house | KCN ware- house |
| Inmate labor | Yes | Yes | No | Yes | No | No | Yes | Yes | No | No |
| Delivery to Inmates | KCN | KCN | KCN | KCN | Mixed | DOC | KCN | KCN | KCN | KCN |

d. Qualifications and References

KCN's qualifications far surpass those of our competitors. KCN fully services 10 out of 11 privatized State Departments of Corrections. KCN services 98% of the inmate population of all privatized state department of corrections.

*Please see **Attachment "A"** for all of KCN's DOC references. Listed beneath each reference is a detailed overview of the services provided to each DOC and its facilities. Please do not hesitate to contact our customers as KCN believes that they are the truest testimonial to our upstanding customer service.*

e. Company Financial Background and Stability

Keefe combined with Enterprise Rent-A-Car is a multi-billion dollar company. Keefe has spent more than three million dollars alone on software development over the last few years and continues to lead the marketplace in innovations in software and product development. KCN has provided KCN's financial statements to prove our sound financial stability. This information is deemed confidential and has been submitted in a separately sealed envelope.

Response to Scope of Services

I. Overview

The Delaware Department of Correction (DOC) is soliciting proposals from experienced vendors to provide complete Commissary Services to Howard R. Young Correctional Institution, Delores J. Baylor Women's Correctional Institution, Sussex Correctional Institution and James T. Vaughn Correctional Center. This request for proposals ("RFP") is issued pursuant to 29 Del. C. § 6981 and 6982.

KCN has read and understands the requirements set forth in Section 1 of the RFP.

KCN understands that it is the goal of the DE DOC to provide the highest level of commissary services possible to the inmates of the Delaware Department of Corrections.

The awarded vendor should have the built in capacity to service the following average daily populations of offenders listed below:

| | |
|---|-----------------------------|
| Howard R. Young Correctional Institution: | 1,600 male offenders |
| Delores J. Baylor Correctional Institution: | 450 female offenders |
| Sussex Correctional Institution: | 1,200 male/female offenders |
| James T. Vaughn Correctional Center: | 2,600 male offenders |

*KCN more than covers this requirement; please see **Attachment "A"** for a listing of our State DOC references.*

| | |
|--|---|
| Initial Public Notice | Date: October 5, 2012 |
| Mandatory Letter of Intent to Bid | Date: October 12, 2012 |
| Mandatory Pre-Bid Meeting/Facility Site Visits | Date: October 17 & 18, 2012 |
| Deadline for RFP Questions | Date: October 26, 2012 |
| Response to RFP Questions Posted | Date: November 2, 2012 |
| Deadline for Receipt of Proposals | Date: November 13, 2012 |
| Notification of Award | Date: Within 90 days from deadline for receipt of proposals |

A Mandatory Letter of Intent to Bid is required of each Vendor intending to respond to this RFP. The Mandatory Letter of Intent to Bid must be received by the DOC no later than **October 12, 2012, 2:00 PM EDT**. In order for the DOC to ensure security at these facilities, vendors submitting a letter of intent to bid on this RFP shall include a list of all individuals attending the Pre-Bid Meeting/Facility Site Visits to include name, social security number, age, sex, race and date

of birth. This list shall include all sub-contractors (if any) and any vendors requiring access within the secure perimeter of the facility.

A pre-bid meeting is scheduled for October 17, 2012, 8:15 AM at Department of Correction, Administration Building, 245 McKee Road, Dover DE 19904 followed by site visits to each facility. Site visits are as follows:

October 17, 2012, 10:30 AM Delores J. Baylor Women's Correctional Institution
660 Baylor Blvd.
New Castle, DE 19720

October 17, 2012, 1:00 PM Howard R. Young Correctional Institution
1301 East 12th St.
Wilmington, DE 19802

October 18, 2012, 9:00 AM James T. Vaughn Correctional Center
Smyrna Landing Rd.
Smyrna, DE 19977

October 18, 2012, 1:00 PM Sussex Correctional Institution
RT 113, Georgetown, DE 19947

The pre-bid meeting and site visits are mandatory. Vendors who do not attend this meeting and site visits will not be eligible to submit proposals for this RFP. Each proposal must be accompanied by a transmittal letter which briefly summarizes the proposing firm's interest in providing the required professional services. The transmittal letter must also clearly state and justify any exceptions to the requirements of the RFP which the applicant may have taken in presenting the proposal. Furthermore, the transmittal letter must attest to the fact that no activity related to this proposal contract will take place outside of the United States. The State of Delaware reserves the right to deny any and all exceptions taken to the RFP requirements.

KCN has adhered and submitted our Letter of Intent. KCN has taken part in the site-tours and the pre-bid meeting.

MULTIPLE SOURCE AWARD

The DOC reserves the right to award this contract to more than one vendor pursuant to 29 Del.C. §6926. The basis for such selection shall be:

- Ability to select an alternative supplier based on agency budget constraints.
- Vendor ability to provide and manage the delivery of selected items through a State approved third party.

KCN has read and understands the Multiple Source Award criteria. KCN acknowledges that budget constraints and vendor ability will both contribute to this decision.

II. Scope of Services

A. Equipment and Services

1. Provide all stock, supplies, labor, supervision, packaging, equipment and delivery personnel necessary to provide the services required in the specifications.

KCN understands it is responding to an RFP for commissary services for the four facilities under the Delaware Department of Corrections. Keefe Commissary Network will be solely responsible for supplying all stock, supplies, labor, supervision, packaging, equipment and delivery personnel necessary for the purposes of this RFP.

2. Provide retail/market brand hygiene products, writing materials, games, food items, candies and a limited clothing selection. Commissary list should also include property items such as TVs, guitars, tennis shoes, fans, radios, etc. **All products must be appropriately labeled for resale.**

*KCN can supply all items listed above. Please see **Attachment "I"** outlining all current KCN products that can be offered to the DE DOC. This listing includes over **700** items available to the DOC. Enclosed in this proposal response, the DOC can also find a proposed commissary menu for the inmates of the DE DOC. Should a DE DOC facility wish to amend the menu in any way by adding or deleting any items, KCN can certainly do so.*

3. Maintain a market-price philosophy with regard to retail-selling price of commissary items to the offenders.

*KCN will provide a market – price philosophy with regards to selling prices of our items. Please see **Attachment "J"** for our proposed commissary menu. Keefe Commissary Network conducts a yearly survey of the retail market and ensures that we are at or below retail pricing for commodity items.*

4. Provide an accurate, economical and efficient means to process offender commissary orders.

*KCN will make every effort to ensure the burden of work is taken off of the DE DOC staff at each facility. KCN's technology is the solution to an accurate, economical and efficient commissary ordering process. KCN will utilize its Edge® Housing Kiosks where possible in each DOC facility to cut down on staff time scanning commissary orders. Please **page 19** for a write-up on our Edge® Inmate Housing Unit Kiosks, explaining the system's capabilities and comprehensive security features.*

5. Provide a reasonable commission to the DOC facilities participating in this RFP.

*KCN will be offering each of the Delaware DOC facilities a separate commission rate. KCN feels that is important to tailor to the specific needs of each facility, and as such has provided four different commission rates. Please see the commission rates proposed to the DOC on **page 61** of this proposal.*

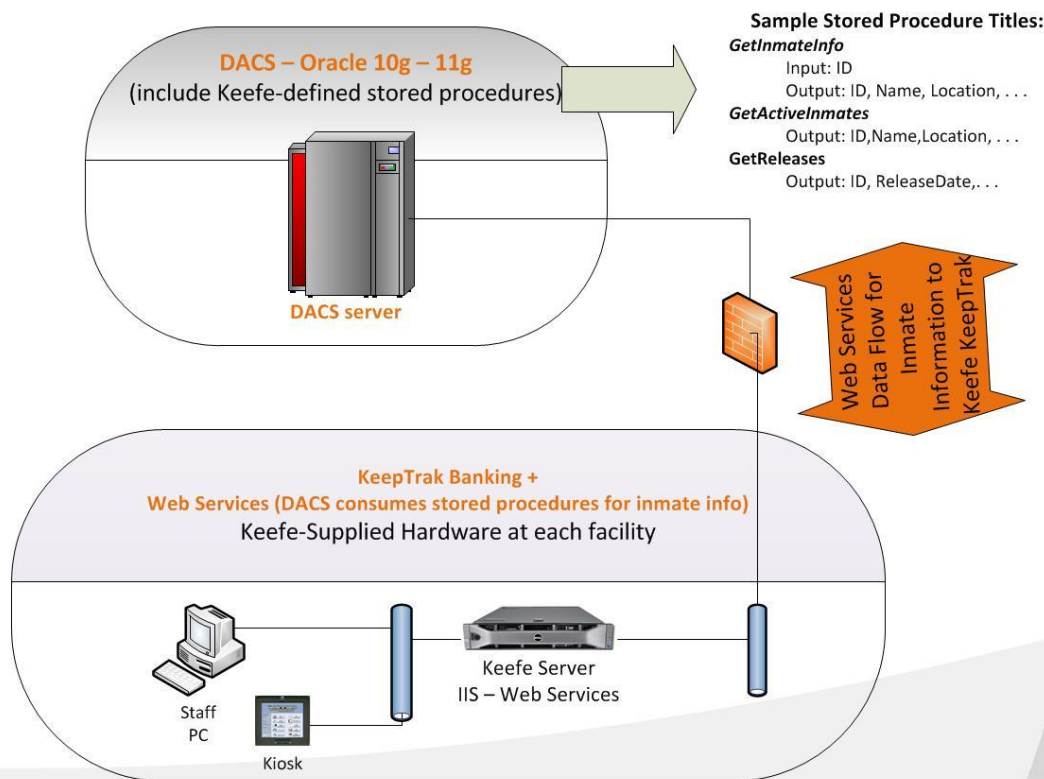
6. Develop and maintain an electronic software interface capable of exchanging related information between DOC's offender management system, Delaware Automated Corrections System (DACS) and the proposed commissary system. Related information includes but is not limited to admission data, offender identification, demographics, population movement,

housing location, offender status, release information, purchase information, purchase history and other information as the Department deems necessary to maintain. This interface will allow both systems to have current information required for managing the offender accounts. Additional commissary software capabilities should include:

KCN will establish a software interface with DACS, the current offender management system.

KCN supports both file-based and real-time interfaces with Offender Management Systems. We recommend the real time interface. KCN supplies a web service that can either call stored procedures directly from an Oracle Offender Management database or can communicate with an OMS web service that completes the database queries. Below is a sample illustration of a web services interface that calls stored procedures directly from an Oracle system. KCN has this type of interface with Oracle in Syscon and GTL/DSI interfaces at West Virginia Regional Jails, Denver County CO, Los Angeles County CA, Allegheny County PA, Bucks County PA, and Bergen County NJ, Riverside Regional VA. Real time interfaces with other OMS/JMS systems include Rhode Island DOC, Vermont DOC, Hudson NJ, Dallas County TX.

Delaware Department of Corrections Real Time Interface between Keefe KeepTrak Banking and DACS



- Electronic check writing capability

The KeepTrak™ Inmate Banking and Commissary software system features check-writing, check review, positive pay and bank reconciliation as integral parts of the system. These features allow issued checks to be recorded on-line through a visual display. Once the check is drafted, the check review feature allows simple and advanced searches, viewing, printing, clearing, and voiding of checks by the following 16 different criteria:

- *All Checks In Register*
- *Cleared Checks*
- *Uncleared Checks*
- *Voided Checks*
- *For Inmate ID #*
- *On A Specific Date*
- *Between Dates*
- *For Check Number Equals To*
- *For Check Numbers Greater Than*
- *For Check Numbers Less Than*
- *For check Numbers Between*
- *For Account Event(s)*
- *For Amount(s) Equal To*
- *For Amount(s) Greater Than*
- *For Amount(s) Less Than*
- *For Payee Name*

Operations permitted on drafted checks include clear, unclear, void, expire, and re-number. KCN also supports the transfer of issued check information to various banks. This internal control allows the bank to alert the facility to fraudulent checks. Some banks can return check and deposit status information in electronic format. KCN can use this information to update check status automatically.

- Receivables/Debit Charges

The KCN KeepTrak™ financial system allows authorized facility staff to specify and create an unlimited number of Resident Receivable Transactions. These Receivable charges may in turn be authorized to individual users who are responsible for assessing and recording the receivable amounts. The KeepTrak™ Receivable ledgers contain the history of all charges and payments on a per transaction basis. The inmates' receivable balance is the net amount of charges and payments in the receivables registers. Each receivable type (i.e., Med Copay, Damages, Court Fees, etc) is subtotaled within the overall receivable balance for each inmate. The receivable balance is presented in real time at the Inmate Accounts panel, Inmate Property panel and the commissary order entry panel of the KCN KeepTrak™ Inmate Banking and Commissary System

Collection of receivable amounts is triggered at the time a financial transaction occurs. Triggered collection of receivables can occur at the time the receivable is recorded (collection from funds on-hand), at the time a deposit is posted (collection from future deposits), at the time of release (collection during account closeout), and interactively (collection on demand). Each collection trigger can respond to its own set of collection rules, including minimum remaining balance,

prioritized collection of a percentage of a deposit, and percentage-based allocation of a percentage of a deposit. Collection rules may be applied to a single receivable type or to groups of receivable types. Receivable types can also be enabled for debt-write-off.

At release, remaining receivable amounts can be presented automatically on a release invoice, showing the charges, payments and remaining balance. Subsequent to release, the KCN KeepTrak™ system can provide reporting to enable Facility staff to produce additional follow-up invoicing based on the age of the receivable balance for released inmate accounts.

Additional reporting is available for charged-paid-due history individually or for the entire population. General Ledger accounts maintain the open balance due from inmate receivables, and the current cumulative collected amounts. Facility staff may make payments from collected accounts, by choosing a payment transaction and issuing a check to the responsible agency or organization. All payment history is retained indefinitely in the General Ledger for historical reporting. Receivable and Collected accounts are also represented in financial statement reporting such as Trial Balance and Classified Balance Sheets.

- Offender payroll/1099 reporting

There are three (3) methods of processing inmate payroll within the Keefe system: (1) Batch Transaction Rate/Qty Mode (2) Interfaces to payroll systems (3) Departmental Payroll profiles:

- *Batch Transaction Rate/Qty Mode*
Keefe provides a payroll calculator in its Batch Transaction Dialog. Using the Rate/Qty mode, the user can lock-in the payroll transaction type, the description, and the hourly, daily, or weekly rate. For each inmate the user simply types the inmate ID and the number of hours, days, or weeks worked. Keefe's calculator automatically completes the entry and posts the credit to the inmate account
- *Interfaces to Payroll Systems*
REACHOUT interface – accepts flat files from a payroll system and automatically applies the credit for payroll to the inmate account
Batch Import – uses the Batch Transactions dialog to import flat files from a payroll system with the option to make deductions from payroll credits
- *Departmental payroll profiles*
Keefe's payroll profile system allows individual departments within the facility to set up pay grades and withholding rules. At time of payroll posting, the department enters the inmates and the period of time each inmate has worked. At completion of data entry, the Keefe system automatically calculates and posts the payroll and the withholding transactions batch.

Payroll

There are three methods of entering payroll in the Keefe Banking System.

Payroll Rate/Quantity Calculator

The first method is to use the Rate/Quantity Mode in Batch Transactions Dialog.

The screenshot displays the 'Keefe Commissary Network' application window. The 'Batch Transactions' tab is selected. The 'Inmate Accounts' section shows details for 'EDWARDS, DAWNETTE', including DOB, Admitted date, Floor, Dorm, Cell, Avail/Rev'd, and Status (Active). The 'Batch ID' is 'pyrl22' and the 'Transaction Type' is '+PAYROLL'. The 'Purpose / Reason' is 'WEEKLY PAYROLL CI'. The 'Rate' is '0.35' and the 'Qty' is '1'. The 'Open Batch' button is visible. Below the form is a table with columns: JACKET, Name, Transaction, Reason, Amount, and Status. The table contains two rows of data for SMITH, ALFRED and JONES, ANTHONY. At the bottom, there are buttons for 'Select Multiple Residents', 'No Group Check issued', and 'With(0):\$0.00 Dep(2):\$5.60'.

| JACKET | Name | Transaction | Reason | Amount | Status |
|----------|----------------|-------------|-------------------|--------|----------|
| 00021370 | SMITH, ALFRED | PAYROLL | WEEKLY PAYROLL CI | \$3.50 | Verified |
| 00245977 | JONES, ANTHONY | PAYROLL | WEEKLY PAYROLL CI | \$2.10 | Verified |

Keefe's Payroll System

The Third method is to create and process payroll profiles within the Keefe system. The system allows the DOC to setup pay grades, job titles, departments, user roles, and to process payroll per department per period with complete history of all payrolls processed. The following screen shots illustrate these features.

Windows Internet Explorer - LogMeIn - Remote Session
http://localhost/RiversPayroll/PayrollList.aspx

Welcome KCN KCN

Payroll List | Pay Grades | Departments | Jobs | User Roles | Logout

Payroll List

Status Filter: All Record Limit: 10

Start Date: End Date:

Filter

+ Add New

| Actions | Month | Department | Status |
|---------|-----------------|--------------|-----------|
| | 2012 / November | Laundry | Open |
| | 2012 / November | Students | Submitted |
| | 2012 / November | Students | Submitted |
| | 2012 / November | Students | Open |
| | 2012 / October | Commissary | Submitted |
| | 2012 / October | Food Service | Open |
| | 2012 / October | Laundry | Applied |
| | 2012 / October | Maintenance | Submitted |
| | 2012 / October | Maintenance | Submitted |
| | 2012 / October | Maintenance | Submitted |

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Windows Internet Explorer - LogMeIn - Remote Session
http://localhost/RiversPayroll/PayrollDetail.aspx?payrollID=1812

Welcome KCN KCN

Payroll List | Pay Grades | Departments | Jobs | User Roles | Logout

Payroll Details

Year: 2012 Month: October Department: Commissary Created By: RICHARD TAYLOR

| Pay Grades | Rates | Pay Grades Given |
|--------------|-------|------------------|
| GRADE 5 | 0.5 | 11 |
| Total | | 11 |

Create Payroll Submit Payroll Approve Payroll Cancel Approval

Add Payroll Item

| Actions | Last Name | First Name | REG | Job Desc | IFRP | GED | Pay Grade | Hours Worked | Calc Pay | Actual Pay | Bonus | Excessive? | Total |
|---------|-----------|------------|----------|------------------|------|-----|-----------|--------------|----------|------------|---------|------------|----------|
| | NORTH | ANTONIO | 35275007 | Commissary Clerk | N | Y | \$0.50 | 184 | \$92.00 | \$92.00 | \$0.00 | OK | \$92.00 |
| | HARPER | LAWRENCE | 40844050 | Commissary Clerk | N | Y | \$0.50 | 184 | \$92.00 | \$92.00 | \$15.00 | OK | \$107.00 |
| | GARCIA | WILSON | 58707066 | Commissary Clerk | N | Y | \$0.50 | 184 | \$92.00 | \$92.00 | \$25.00 | OK | \$117.00 |
| | CHARLES | RICHARD | 24357016 | Commissary Clerk | N | Y | \$0.50 | 184 | \$92.00 | \$92.00 | \$0.00 | OK | \$92.00 |
| | GAYLE | GIOVANNI | 05354017 | Commissary Clerk | N | Y | \$0.50 | 184 | \$92.00 | \$92.00 | \$0.00 | OK | \$92.00 |
| | MUSGROVE | IAN | 25761069 | Commissary Clerk | N | Y | \$0.50 | 184 | \$92.00 | \$92.00 | \$8.00 | OK | \$100.00 |
| | SOOMAI | JOSEPH | 28922016 | Commissary Clerk | N | Y | \$0.50 | 88 | \$44.00 | \$44.00 | \$0.00 | OK | \$44.00 |

PayrollDetail - Windows Internet Explorer LogMeIn - Remote Session
http://localhost/RiversPayroll/PayrollDetail.aspx?payrollID=1819

Welcome KCN KCN

Payroll List Pay Grades Departments Jobs User Roles Logout

Payroll Details

Year: 2012
Month: October
Department: Food Service
Created By: GINA HOGGARD

| Pay Grades | Rates | Pay Grades Given |
|--------------|-------|------------------|
| GRADE 1 | 0.4 | 37 |
| GRADE 2 | 0.29 | 37 |
| GRADE 3 | 0.17 | 9 |
| GRADE 4 | 0.12 | 6 |
| NO GED | 0.12 | 89 |
| Total | | 178 |

Create Payroll Submit Payroll Approve Payroll Cancel Approval

Add Payroll Item

| Actions | Last Name | First Name | REG | Job Desc | IFRP | GED | Pay Grade | Hours Worked | Calc Pay | Actual Pay | Bonus | Excessive? | Total |
|---------|------------|------------|----------|----------|------|-----|-----------|--------------|----------|------------|--------|------------|---------|
| ⊕ ⊖ | THOMAS | ANDRE | 01137007 | FS PM | N | Y | \$0.29 | 151 | \$43.79 | \$43.79 | \$0.00 | OK | \$43.79 |
| ⊕ ⊖ | AUSTIN | CLEMENT | 37216007 | FS AM | N | N | \$0.12 | 166 | \$19.92 | \$19.92 | \$0.00 | OK | \$19.92 |
| ⊕ ⊖ | MONTGOMERY | WESLEY | 03191007 | FS AM | N | N | \$0.12 | 82.5 | \$9.90 | \$9.90 | \$0.00 | OK | \$9.90 |
| ⊕ ⊖ | ADAMS | BOBBY | 10005007 | FS AM | N | Y | \$0.40 | 220.5 | \$88.20 | \$88.20 | \$0.00 | OK | \$88.20 |
| ⊕ ⊖ | HYLTON | DORION | 37933007 | FS AM | N | Y | \$0.29 | 184 | \$53.36 | \$53.36 | \$0.00 | OK | \$53.36 |
| ⊕ ⊖ | SMALLS | GREGORY | 34283007 | FS AM | N | Y | \$0.12 | 62 | \$7.44 | \$7.44 | \$0.00 | OK | \$7.44 |
| ⊕ ⊖ | HENDERSON | LEON | 38204007 | FS AM | N | Y | \$0.29 | 184 | \$53.36 | \$53.36 | \$0.00 | OK | \$53.36 |
| ⊕ ⊖ | GRAY | DARNELL | 38362007 | FS AM | N | Y | \$0.29 | 184 | \$53.36 | \$53.36 | \$0.00 | OK | \$53.36 |
| ⊕ ⊖ | WRIGHT | JAMES | 39064007 | FS AM | N | Y | \$0.29 | 171.5 | \$49.74 | \$49.73 | \$0.00 | OK | \$49.73 |
| ⊕ ⊖ | WRIGHT | JAMES | 39064007 | FS AM | N | Y | \$0.29 | 187.5 | \$54.38 | \$54.37 | \$0.00 | OK | \$54.37 |

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Pay Grades - Windows Internet Explorer LogMeIn - Remote Session
http://localhost/RiversPayroll/PayScales.aspx

Welcome KCN KCN

Payroll List Pay Grades Departments Jobs User Roles Logout

Pay Grades

Add New

| Actions | Code | Description | Rate |
|---------|---------|----------------|------|
| ⊕ ⊖ | GRADE 1 | GRADE 1 @ 0.40 | 0.40 |
| ⊕ ⊖ | GRADE 2 | GRADE 2 @ 0.29 | 0.29 |
| ⊕ ⊖ | GRADE 3 | GRADE 3 @ 0.17 | 0.17 |
| ⊕ ⊖ | GRADE 4 | GRADE 4 @ 0.12 | 0.12 |
| ⊕ ⊖ | GRADE 5 | GRADE 5 @ 0.50 | 0.50 |
| ⊕ ⊖ | GRADE 6 | REFEREE@1.00 | 1.00 |
| ⊕ ⊖ | NO GED | NO GED @ 0.12 | 0.12 |

Page 1 of 1

Done Local intranet 100%

Pay Scale - Windows Internet Explorer LogMeIn - Remote Session
http://localhost/RiversPayroll/PayScale.aspx?payscaleID=3

Welcome KCN KCN
Payroll List Pay Grades Departments Jobs User Roles Logout

Pay Grade

Code
 Description
 Rate

Department Jobs - Windows Internet Explorer LogMeIn - Remote Session
http://localhost/RiversPayroll/DepartmentJobs.aspx

Welcome KCN KCN
Payroll List Pay Grades Departments Jobs User Roles Logout

Department Jobs

| Actions | Description | Department | Active |
|---------|-----------------------|--------------|--------|
| | Chapel Orderly | Chaplain | Y |
| | Commissary Clerk | Commissary | Y |
| | Substance Abuse Class | Drug Program | Y |
| | TC AM | Drug Program | Y |
| | TC PM | Drug Program | Y |
| | Education Orderly AM | Education | Y |
| | Education Orderly PM | Education | Y |
| | Education Tutor | Education | Y |
| | Law Clerk | Education | Y |
| | Library Clerk | Education | Y |

Page 1 of 7

| Actions | Department | Active |
|---------|--------------|--------|
| | Chaplain | Y |
| | Commissary | Y |
| | Drug Program | Y |
| | Education | Y |
| | Food Service | Y |
| | Laundry | Y |
| | Maintenance | Y |
| | Medical | Y |
| | Recreation | Y |
| | Security | Y |

Please see **Attachment “H”** for additional sample payroll reports.

- Withdrawals

Acknowledged and Agreed. The KCN Inmate Banking System software is a dual entry accounting system that records deposits (initial and ongoing), withdrawals, refunds, commissary purchases, and closeout of inmate accounts. It allows users to add their own "transaction types" at the site level (example-trustee pay, medical charges, haircut charge, etc.). Each transaction entered will create and print a receipt, and will be tracked in all reports for accounting purposes, according to Generally Accepted Accounting Principles (GAAP).

- Unclaimed funds/property

Unclaimed funds:

The KeepTrak™ general journal module allows for the facility to escheat abandoned funds from the inmate's accounts within a single batch entry. This abandoned funds account can then be used to submit the necessary payment to the corresponding entity of the State DOC. KCN's unlimited library of reports allows the end-user to create a report in which data is provided on any inmate that has been inactive over a specified period of time and has not had any activity for the said period of time. KCN has worked with other states in the past in which we were able to incorporate the required state issued form and allowed for the facility to export those records to that specific form for submittal to the state treasury department.

Property Module:

- *The KeepTrak™ Property Management module allows users to catalog and control inmate property items. Users can lay out a property room within the KCN computer system, catalog and control resident property items, manage property allocated to each resident, and perform quick financial transactions with inmate accounts. The Property Management window displays inmate information fields that are critical to accurate item storage: the Booking ID field, the Resident Property Items window, the Available Locations for Storage window, and the Location Assignment button.*
- *Before registering resident property in the KCN system, locations, categories, and items are easily generated. The Generating Locations feature allows users to create a computer layout of their facility's property room within the KCN system. Then, users create location types, or containers like a locker, safe, box, shelf, etc that describes where the item will be stored. Once created, the inmate's property is registered in these locations after being classified by type such as clothing and jewelry, etc.*
- *Once the inmate's items are registered in KeepTrak™, users can perform other security/storage functions such as imposing restrictions on the quantity of a particular item residents can possess in their cell, add resident property, reassign locations, reassign items to inmate's cell, change item information, delete property, and release registered property. Other Property Management transactions include holding registered property, performing property searches, disposing of registered property, showing and printing property information, and printing property reports.*

- Offender funds transfer capability

The system is able to setup unlimited transactions and/or transaction types to be used at the facilities discretion.

- Offender funds in the form of cash or check upon release

Settling an inmate account and issuing cash, a check or debit card for the closing balance is part of the KCN account closeout function available from the Inmate Accounts menu.

Additionally, at the time of release, inmate accounts are not purged from the database but are made inactive. Upon booking of the same personal ID at some future date, the inactive account is then made active and all un-cleared or remaining balances are reinstated as they were at the point of release. A subsequent booking will therefore reinstate unclaimed funds that are not settled at the time of release

The closeout procedure streamlines the process of settling an inmate account, including closing collection of outstanding recoverable amounts, as well as issuance of check, cash, debit card or all to clear the remaining balance.

*Please see **pages 41** for more info on KCN's Release Kiosk.*

- Ability to make deposits and transfer funds to offender accounts after receipt of money order or other financial transactions

KCN's KeepTrak system allows for the end user to make deposits and transfer funds from an inmate's account via a third party payment to an approved recipient. There are two methods of recording manual deposits in the KeepTrak system; 1) you may enter them on a deposit by deposit basis. One example would be at the Add Resident dialog when the account is opened. Another example would be at the Inmate Accounts dialog using the Transaction Entry section. 2) You may enter deposits that you have grouped together for ease of reconciliation, such as mailed-in money order deposits.

1) Deposit by deposit basis.

To record deposits on a one-by-one basis, complete the following five steps: 1) Select an Inmate, 2) Select a deposit type, 3) Enter a description for the transaction, 4) enter the amount, 5) press <Enter> or Click "Make Entry." When debts are present, they may be automatically collected depending on the rules you have preset for collection of debt

Keeffe Commissary Network

File Session Control Current Drawer Transaction Configure Mode View Help

JONES

Inmate Accounts JONES, ANTHONY
 DOB: 05/03/1974 Admitted: 08/31/2010
 JACKET Floor: 2 MAR Dorm: 2T4 Cell: 2T4
 00245977 Avail/Resvd: \$20.00 / \$0.00
 Status: Active

Encumbered: \$51.60
 Recoverable: \$2.04
 Held: \$0.00

Clear Print Make Entry

Drawer Transactions Batch Transactions Resident Transactions

Transaction Type Purpose / Reason Receipt Amount

+DEPOSIT CASH

| Description | Amount | Balance | Due | Held | Reference |
|-------------------------------------|--------|---------|-------|------|------------|
| CHECK RECEIVED FOR TORT CLA... | 50.00 | 81.60 | 2.04 | 0.00 | 11/05/2012 |
| Payment for MEDICAL on 2012-10-2... | -5.00 | 31.60 | 2.04 | 0.00 | 10/23/2012 |
| Payment for MEDICAL on 2012-10-2... | -12.96 | 36.60 | 7.04 | 0.00 | 10/23/2012 |
| Payment for MEDICAL on 2012-07-2... | -2.04 | 49.56 | 20.00 | 0.00 | 10/23/2012 |
| EDWARD CULLEN -- BLOOD MON... | 30.00 | 51.60 | 22.04 | 0.00 | 10/23/2012 |
| DEBBIE BANKS 3010299391 | 20.00 | 21.60 | 22.04 | 0.00 | 10/23/2012 |
| KILDAIRE | 20.00 | 1.60 | 22.04 | 0.00 | 10/23/2012 |
| Payment for MEDICAL on 2012-07-2... | -1.40 | 1.60 | 2.04 | 0.00 | 08/07/2012 |
| Payment for MEDICAL on 2012-07-2... | -5.00 | 3.00 | 3.44 | 0.00 | 07/25/2012 |
| TEST | 8.00 | 8.00 | 8.44 | 0.00 | 07/25/2012 |
| COPAY MEDICAL VISIT | -1.56 | 0.00 | 8.44 | 0.00 | 07/25/2012 |
| COPAY MEDICAL VISIT | 10.00 | 1.56 | 10.00 | 0.00 | 07/25/2012 |
| PHONE RE... | 1.50 | 1.56 | 0.00 | 0.00 | 04/17/2012 |
| DID: 100059205-ComisaryPurch-Reg | -51.20 | 0.06 | 0.00 | 0.00 | 02/23/2012 |
| DID: 100056930-ComisaryPurch-Reg | -15.79 | 1.26 | 0.00 | 0.00 | 02/02/2012 |
| DID: 100054533-ComisaryPurch-Reg | -2.00 | 0.05 | 0.00 | 0.00 | 01/12/2012 |
| DID: 100053452-ComisaryPurch-Reg | -38.06 | 2.05 | 0.00 | 0.00 | 01/05/2012 |
| DID: 100049497-ComisaryPurch-Reg | -11.01 | 0.11 | 0.00 | 0.00 | 11/30/2011 |
| DID: 100048540-ComisaryPurch-Reg | -20.46 | 11.12 | 0.00 | 0.00 | 11/22/2011 |
| DID: 100047905-ComisaryPurch-Reg | -48.99 | 1.58 | 0.00 | 0.00 | 11/16/2011 |
| DID: 100046304-ComisaryPurch-Reg | -2.00 | 0.57 | 0.00 | 0.00 | 11/02/2011 |
| DID: 100044711-ComisaryRefund-Reg | 2.53 | 2.57 | 0.00 | 0.00 | 10/21/2011 |
| DID: 100044711-ComisaryPurch-Reg | -40.01 | 0.04 | 0.00 | 0.00 | 10/20/2011 |
| DID: 100043574-ComisaryPurch-Reg | -7.13 | 0.05 | 0.00 | 0.00 | 10/12/2011 |
| DID: 100042788-ComisaryPurch-Reg | -4.00 | 0.18 | 0.00 | 0.00 | 10/05/2011 |
| DID: 100041899-ComisaryPurch-Reg | -45.93 | 4.18 | 0.00 | 0.00 | 09/28/2011 |
| PAYROLL WE 9-21-2011 | 10.00 | 50.11 | 0.00 | 0.00 | 09/21/2011 |
| DID: 100040943-ComisaryPurch-Reg | -11.83 | 0.11 | 0.00 | 0.00 | 09/21/2011 |
| PAYROLL WE 9-14-2011 | 10.00 | 11.94 | 0.00 | 0.00 | 09/14/2011 |
| DID: 100040181-ComisaryPurch-Reg | -8.74 | 1.94 | 0.00 | 0.00 | 09/14/2011 |

Ready KEEFE SERVER (001)

2) Grouped or 'batch' deposits

To record deposits that are naturally grouped together, consider using the 'Batch Transactions' dialog. Complete the following steps to enter a batch of deposits. 1) Choose whether to apply each deposit immediately or to hold all deposits until the batch has been reconciled – (choose <File> <Options> <Batch Options> - you may only do this once if all of your batches follow the same reconciliation process) 2) Open a batch, 3) Choose and Lock in a deposit type, 4) Choose and lock in a description if applicable, 5) Choose and lock in a dollar amount if applicable 6) Enter an inmate ID in the Inmate ID field, press <Enter> to make the entry or to advance to the next unlocked field. The running balance of the batch of deposits is kept at the bottom of the dialog. 7) If you choose the option to 'Apply when Verified.' make sure that your batch total matches your deposit records, 8) Choose apply, 9) Choose whether you would like to close the batch to future entries, 10) You can print or reprint the batch report at any time.

- Ability to write checks, schedule payments and disburse funds to a variety of vendors/accounts

The KCN Inmate Banking System software contains a general journal module which allows for writing of checks, scheduling of payments and disbursing of funds to a variety of vendors/ accounts. The end user will simply select the general journal account and disperse the funds within this module.

- Reimbursement of funds to offender accounts

The KCN Inmate Banking System software records deposits (initial and ongoing), withdrawals, refunds, commissary purchases, and closeout of inmate accounts.

- Cash Drawer balancing (daily)

The KeepTrak™ Cash Drawer Management feature is an option jail personnel can use to manage end of shift balances. Cash Drawer Management is included as an integral part of the Inmate Banking system.

The Cash Manager provides internal controls over the flow and handling of inmate deposits. The Cash Manager feature enforces cash drawer counts, provides a variety of drawer closing and drawer transfer options, separates the review process from the recording process, allows for error handling and isolation of over or short conditions, and provides a supervisory workflow from review to approval to bank deposit.

The powerful Cash Manager features can be broken down and authorized by user, by group of users, by workstation, or by groups of workstations. Each cash transaction retains the original user, station and timestamp information. Each cash drawer count, adjustment, re-count, approval, transfer or deposit is retained in cash drawer history and can be popped up and reviewed on-line from the Cash Manager panel.

- Ability to make deposits to offender accounts after receipt of money orders at no additional cost to offender or facility

The KCN Inmate Banking System software records deposits (initial and ongoing), withdrawals, refunds, commissary purchases, and closeout of inmate accounts.

7. Provide necessary personnel to transfer all financial and offender information required for initial input to software provided.

KCN will provide all necessary personnel to transfer all information during initial input into KCN's KeepTrak Banking software. KCN's transition team will cover installing hardware and software, transferring all necessary financial and offender information, and training to inmates and staff.

Given its history of providing technologies in the correctional commissary outsourcing marketplace, KCN has gained wide experience in migrating prior data as part of the transition and implementation process in both banking and commissary applications.

- **Banking**

- *The method we recommend is to load closing balances of all inmate and special funds accounts into the KCN Active Banking system and to load line by line transaction history in the banking archive. We then construct a browser-based inquiry into the archived financial history. This method segregates past history to prevent any voiding or other adjustments, while preserving history for future inquiries and/or audits.*

- **Commissary**

- *The method we recommend for commissary migration includes accepting prior line by line purchase history into an archive that can also be accessed through a web browser report format. Typically we associate the commissary purchase history with the transaction that debited the inmate account for the commissary purchase and link from the purchase transaction to the history. Of course other reporting is available given that the history is provided by SCDC for KCN to import into its DB2 database platform.*

KCN is aware that Swanson Services is the current commissary vendor at the Delaware Department of Corrections. In order to fully transition and implement our software so it is functioning, KCN would require an active and inactive inmate balance file along with any outstanding debts from Swanson Services. We have an extensive history in transitioning our current customers from Swanson Services.

Please see below for a listing of some current KCN accounts in which KCN smoothly and successfully transferred from your current vendor's software to KCN's software.

- *Baylor Women's Correctional Institute*
- *Cumberland County, Maine*
- *Franklin County, Massachusetts*
- *Hudson County, New Jersey*
- *Union County, New Jersey*

8. Provide kiosk options to include financial, sick calls, grievance tracker, Law Library and commissary, as well as other technological advances, as part of the overall proposal. All kiosk functions should be fully implemented and functioning within six (6) months after award of contract. The selected vendor should be able to transfer information gathered through the kiosk to DACS including, but not limited to, offender grievances. The vendor must describe in their proposal the capabilities of the commissary software and kiosk functions.

*KCN will be utilizing our Lobby Deposit Kiosks, Booking Intake Kiosks, as well as our Edge® Housing Unit Kiosks. Upon a contract award, KCN will be able to meet the six month timeline requested by the DE DOC for any and all DE DOC facility. As requested above, KCN will be able to transfer all information gathered through the kiosk to DACS. In order to meet the requirements listed above, KCN recommends its Edge® Housing Unit Kiosks. KCN's kiosks are the answer to incorporating financial, sick calls, grievances, Law Library, and commissary functions into one arena. Please see **page 66** for detailed write-ups on our accounting software.*

B. Employee Information and Requirements

1. All employees who will work for the vendor must successfully pass a background clearance and be approved by the DOC.

*KCN considers security its number one priority and number one success. No employee of KCN is hired without a background, financial and drug check. Throughout their employment, staff members are subject to continuous random background and drug tests. All personnel who will be on-site are subject to DOC clearance and any training required by the DOC. **Attachment "B"** is our*

safety and security guidelines for any employee will be on-site at a facility. If any of our policies are in conflict with the DOC's policies, we will adjust them accordingly.

2. Employees with a criminal record shall not enter any DOC facility, nor shall any employee with a criminal record be involved in the packaging or delivery of items to a DOC facility. Failure to comply may result in immediate termination of contract. Any sub-contractors, if authorized, must also pass a background check as described.

KCN does not hire an employee that does not pass a background check clearing him/ her of any criminal record. KCN recognizes the importance of security in each and every DE DOC facility. This is held in the highest regard when hiring any employee. Should the DOC's security policies differ from KCN's policies, KCN employees will follow all DOC rules and regulations.

3. The DOC shall have the sole right, at any time, to reject any such employee who poses a risk or potential risk to the security or operations of the DOC.

KCN understands that each DOC facility can reject any employee who poses a risk to the security or operations at such facility.

4. A complete roster of all employees' names and addresses shall be maintained by the successful vendor and shall be updated and submitted to the DOC as requested. Vendor shall also provide the name and emergency contact information for the Site Manager at each facility and provide an emergency contact name and number at the corporate level.

A list of all employee's names and addresses shall be submitted to the DOC upon request. KCN will be fully responsible for all work performed for the purposes of this contract.

5. The successful vendor shall be fully responsible to DOC for all work performed pursuant to the contract by the successful vendor's employees, sub-contractors, or others who may be retained by the successful vendor with the approval of the DOC.

KCN will be fully responsible for all work performed pursuant to contract by all of our employees and sub-contractors.

6. The successful vendor shall be required to conform to the Labor and Employment Laws of the State of Delaware.

KCN currently conforms with all Labor and Employment Laws in the State of Delaware. KCN will continue to conform to the Labor and Employment Laws in Delaware.

C. Security Requirements

1. The successful vendor will comply with all rules and regulations, policies and procedures, as well as any directives and/or orders by the DOC and facility administrators.

*KCN will comply fully with the DOC in regard to every rule, regulation, policy, procedure, directives, or order set forth by facility administrations. Please see **Attachment "B"** for KCN's Building Safety and Security Guidelines.*

2. The DOC shall issue a photo identification card and require it to be worn by the successful vendor's employees whenever they are present at DOC facilities. The successful vendor shall return all identification cards to the DOC within one (1) day for staff no longer on-site or for staff removed from the premises at the request of the DOC. Employees not previously screened for admittance will not be admitted to the DOC facilities without authorization from the DOC. The awarded vendor's employees must pass all background security checks prior to admittance to any DOC facility. The awarded vendor will be provided all necessary Security Background forms upon award of contract.

KCN will comply fully with the security requirements outlined by the DE DOC. All KCN employees who enter a DE DOC facility will wear a photo identification card. These cards shall be returned to the DOC within (1) day post leaving the DOC site or being removed from the premises. It is agreed that employees who have not been screened will not gain admittance to the DOC facility without a proper authorization form.

D. Software and Hardware Requirements

In order to avoid redundant data entry and the potential for data entry errors into different or multiple computer systems, the proposed Commissary provider must develop an electronic software interface to transfer and exchange related account information from the proposed Commissary system to the DOC's offender management system as information is entered and/or updated. Related information may include, but not be limited to, account balances and purchase information. Upon initial offender intake to each facility, all offender admission information is logged into DACS. The Commissary provider should develop electronic interface software to process and receive information into the proposed Commissary system including, but not limited to, offender identification, demographics, housing location, admission data and other information required to maintain accounts. The electronic interface should have the capability to exchange information on an ongoing basis as account information changes or offender information is updated. All costs associated with the development and upkeep of the electronic software interface will be the responsibility of the awarded vendor. Vendors shall include with their proposal a description of the approach to be utilized to accomplish the development and implementation of the interface with DACS (primary database structure of DACS is Oracle 10G moving to Oracle 11G in 2013).

Acknowledged and Agreed. Keefe Commissary Network will interface with the current jail management system, DACS.

The type of information needed for an interface will vary depending upon which functions of KeepTrak™ ® and ACCESSCORRECTIONS® the Delaware DOC plans on using. The following integrations assume the use of the Keefe KeepTrak™ Inmate Banking System

- ***KeepTrak™ ® Inmate Banking Integrations***
 - *When KeepTrak™ ® Inmate Banking is used; the integration relies on read-only flows of Intake, Release, and Housing information from the OMS/JMS system to the KeepTrak™ ® Inmate Banking System. KeepTrak™ ® Inmate Banking may also be queried by the OMS/JMS for summary financial information through web-based interfaces built into the KeepTrak® Inmate Banking System.*

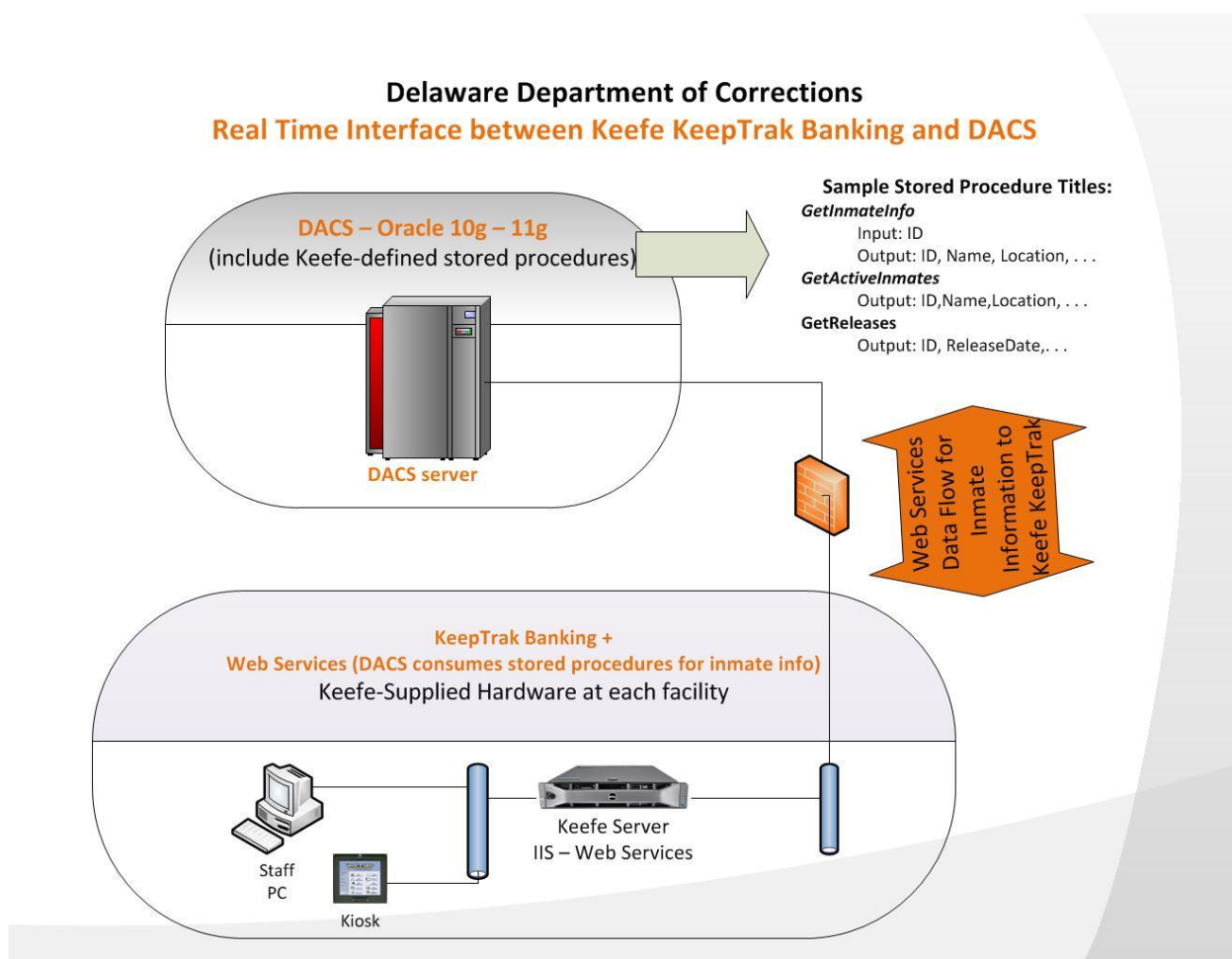
Systems integrated in this way include:

| <i>Integration Type / Vendor</i> | <i>Facilities</i> | <i>Inmates</i> |
|--|-------------------|----------------|
| <i>Booking / Abbey Group</i> | <i>1</i> | <i>2000</i> |
| <i>Booking / AIMS</i> | <i>1</i> | <i>1100</i> |
| <i>Booking / Black Creek</i> | <i>3</i> | <i>939</i> |
| <i>Booking / CCIS-AOC</i> | <i>9</i> | <i>5355</i> |
| <i>Booking / Cisco</i> | <i>5</i> | <i>985</i> |
| <i>Booking / CMIS</i> | <i>1</i> | <i>950</i> |
| <i>Booking / Cornell</i> | <i>6</i> | <i>8375</i> |
| <i>Booking / County</i> | <i>24</i> | <i>34984</i> |
| <i>Booking / CTS SmartCop</i> | <i>6</i> | <i>1340</i> |
| <i>Booking / DaPro</i> | <i>1</i> | <i>133</i> |
| <i>Booking / DSI</i> | <i>4</i> | <i>7624</i> |
| <i>Booking / Eagle</i> | <i>4</i> | <i>1077</i> |
| <i>Booking / Emerald</i> | <i>1</i> | <i>130</i> |
| <i>Booking / Emergitech</i> | <i>1</i> | <i>125</i> |
| <i>Booking / Enterpol</i> | <i>1</i> | <i>75</i> |
| <i>Booking / ETS/Sleuth</i> | <i>2</i> | <i>295</i> |
| <i>Booking / FSG</i> | <i>2</i> | <i>158</i> |
| <i>Booking / GEO Group - Wackenhut</i> | <i>14</i> | <i>13981</i> |
| <i>Booking / ILEADS</i> | <i>4</i> | <i>3823</i> |
| <i>Booking / Intellitech</i> | <i>1</i> | <i>10000</i> |
| <i>Booking / Intergraph</i> | <i>1</i> | <i>1100</i> |
| <i>Booking / ITI</i> | <i>2</i> | <i>174</i> |
| <i>Booking / JALAN HTE Sun Gard</i> | <i>1</i> | <i>215</i> |
| <i>Booking / Jamin</i> | <i>7</i> | <i>945</i> |
| <i>Booking / K&K</i> | <i>1</i> | <i>90</i> |
| <i>Booking / M&M - SOMS</i> | <i>5</i> | <i>845</i> |
| <i>Booking / Mobiletech</i> | <i>1</i> | <i>150</i> |
| <i>Booking / Motorola - Offender Track</i> | <i>3</i> | <i>1665</i> |
| <i>Booking / MTC</i> | <i>4</i> | <i>3346</i> |
| <i>Booking / Net Data</i> | <i>1</i> | <i>450</i> |
| <i>Booking / New World</i> | <i>5</i> | <i>1710</i> |
| <i>Booking / North Point</i> | <i>1</i> | <i>440</i> |
| <i>Booking / OSSI</i> | <i>5</i> | <i>1762</i> |
| <i>Booking / Other</i> | <i>3</i> | <i>2200</i> |
| <i>Booking / Paragon</i> | <i>1</i> | <i>260</i> |
| <i>Booking / Police Central</i> | <i>1</i> | <i>230</i> |
| <i>Booking / PTS</i> | <i>2</i> | <i>128</i> |
| <i>Booking / REJIS</i> | <i>1</i> | <i>1100</i> |
| <i>Booking / Securus</i> | <i>1</i> | <i>250</i> |
| <i>Booking / Shieldware</i> | <i>1</i> | <i>55</i> |
| <i>Booking / SIRS</i> | <i>2</i> | <i>1550</i> |
| <i>Booking / Spillman</i> | <i>2</i> | <i>1380</i> |
| <i>Booking / State</i> | <i>2</i> | <i>3644</i> |
| <i>Booking / Syscon</i> | <i>1</i> | <i>2700</i> |

| | | |
|--------------------------|----------|-------------|
| <i>Booking / TAC</i> | <i>2</i> | <i>250</i> |
| <i>Booking / Tiburon</i> | <i>4</i> | <i>3604</i> |
| <i>Booking / TSG</i> | <i>7</i> | <i>3626</i> |

Interface to DACS

Keefe supports both file-based and real-time interfaces with Offender Management Systems. We recommend the real time interface. Keefe supplies a web service that can either call stored procedures directly from an Oracle Offender Management database or can communicate with an OMS web service that completes the database queries. Below is a sample illustration of a web services interface that calls stored procedures directly from an Oracle system. Keefe has this type of interface with Oracle in Syscon and GTL/DSI interfaces at West Virginia Regional Jails, Denver County CO, Los Angeles County CA, Allegheny County PA, Bucks County PA, and Bergen County NJ, Riverside Regional VA. Real time interfaces with other OMS/JMS systems include Rhode Island DOC, Vermont DOC, Hudson NJ, Dallas County TX.



1. The successful vendor's equipment and hardware/software must comply with the Department of Technology and Information (DTI) and DOC network configuration. If the vendor's hardware/software is not compatible with the DOC's system, it will be the responsibility of the vendor to convert their equipment and hardware/software and assume any related costs.

Acknowledged and Agreed. KCN is responsible for interface costs incurred by KCN developers to change the KCN software for interacting with (DACs). KCN's software will come free of charge to the DE DOC. If ever KCN's hardware or software is not compatible with the DOC's system, it will be KCN's responsibility to convert our equipment and hardware and software. The DOC will not be charged for any conversion.

2. In order to facilitate comparisons of equipment and software that may not be familiar to DOC personnel, vendors must include in their proposal all specifications, literature and operating manuals for the proposed system and/or components.

Acknowledged and Agreed. Documentation output from the training sessions will include customized procedure guides to be included in three forms: on-line as 'RoboHelp Info' books, browser accessible as local web-sites, and in paperback bound format. These guides become materials for ongoing training in the event of staff turnover during the length of the contract.

- *KCN provides an on-line help feature, including a visual reference guide, that explains the steps required to operate KCN software modules such as scanning, adjusting orders, setting up restrictions, reviewing rejections based upon restriction violations, dispatching orders via modem, and refunding orders.*
- *KCN's on-line Help system is developed with Microsoft's RoboHelp. The resulting compiled Help system includes Table of Contents, Index, and Search features as are found in standard Windows applications.*
- *Also included is a visual reference guide that explains the steps required to operate KCN software modules such as scanning, adjusting orders, setting up restrictions, reviewing rejections based upon restriction violations, dispatching orders via modem, and refunding orders.*

Ongoing assistance is offered through our 24 - 7 - 365 toll free assistance line staffed by KCN Technical Services experienced personnel.

Included with each copy of this RFP response, KCN has included a KCN manual for our technology. Any additional information can be provided at the DOC's request.

3. All account files, data and/or any other documentation created, generated and/or produced for the purpose of this contract will remain the property of the DOC. Offender account services data is owned by DOC and must be left in usable format for DOC upon termination of contract. Vendors shall include with their proposals a description of the approach for providing the required data to DOC upon termination of contract. Vendors should include a detailed description of the features of the account management system to

be used and any other software components included with the services included with the proposal.

Acknowledged and Agreed. KCN employs its own software engineers to design and create the KCN software based on the needs of its customers. The entire KCN software package is owned, warranted, and maintained by Keefe Commissary Network. As part of the agreement, KCN will grant the Facility a royalty free license to use the KCN software in the provision of commissary services. All data that is generated through the KCN software will remain the property of the facility and will be provided in the desired format.

*KCN does not offer a license to use the KCN banking and commissary software beyond the terms of the commissary agreement. **KCN will however gather a database backup of all data input into our KeepTrak system by the DE DOC and make this data available on a secure site which can be accessed by the DOC as a “read-only” data collection after the termination of our contract.***

KCN does offer support for transition of data to successor inmate banking systems. References for data transition include: Cook County DOC, Miami-Dade County FL, Salt Lake County UT, Atlantic County NJ, Union County NJ, and Norfolk County MA.

E. Offender Ordering Procedures

1. The successful vendor shall provide the DOC with commissary order forms listing all approved items, prices and quantity restrictions.

KCN will provide order forms for those inmates utilizing scanning technology. Inmates in the general population will be able to order via Edge® Housing Unit Kiosks. Each facility administration will ultimately decide what items will be used to tailor the menu to their liking.

*Please refer to **page 28** for more information on our software restriction capabilities.*

2. The successful vendor shall deliver the forms to the appropriate housing units or other designated centralized areas.

KCN employees will deliver the forms to an agreed upon location decided upon by the DE DOC and KCN.

3. Each offender is allowed to place orders as frequently as agreed to in the final contract between the facility Warden and awarded vendor.

KCN and the facility Warden's will decide upon the frequency of inmate orders and KCN will oblige with this number. KCN will honor the frequency chosen by the facility and always remain open and flexible to meet the needs of each DE DOC facility.

4. The vendor should provide enough equipment as necessary to support the ordering process through Kiosk services.

KCN will provide all requested equipment by the DOC. KCN has also accounted for spare Edge® Housing Unit Kiosks, should any unforeseen issues arise. Commissary ordering will not be affected.

F. Delivery

1. The commissary program shall operate based upon the needs of each institution.

KCN understands that each facility is and operates independent of one another. For this reason, we have proposed various operational options in operational overview. Should the facilities wish to change the operational plans presented in this response to RFP, KCN will be willing to negotiate with each facility. KCN's operations and warehouse management team is the most experienced in the commissary business.

2. Vendor should have the ability to establish commissary operations "On Site" for facilities desiring to have a fully functioning commissary store available to offenders.

KCN is capable of performing on-site operations, in which KCN keeps inventory at a DE DOC facility and KCN would fill orders at the DE DOC.

KCN has proposed an on-site option to the Howard R. Young Correctional Institute and the James T. Vaughn Correctional Institute should either of these facilities wish this type of commissary operation.

*Please see **page 12** for KCN's proposed commissary operations.*

3. Vendor should have the ability to receive commissary orders "off site". All orders should be pre-filled in pre-sealed bags and delivered to the facility. Vendor must have the capability to deliver all pre-filled orders to individual offender locations throughout the facility. All pre-filled, pre-sealed bags are subject to inspection by DOC security prior to being allowed into the facility.

KCN is also capable of pulling orders from our Edison, NJ warehouse, driving them to the DE DOC via our KCN trucks, and distributing to inmates at a DE DOC facility. KCN has the ability to deliver commissary orders in pre-filled and pre-sealed bags directly to the inmate housing units. KCN understands that all bags are subject to inspection by DOC staff before entering the facility.

***KCN would like to reassure all staff members of the DE DOC of the degree of seriousness in which KCN holds security.** KCN recognizes that the facilities of the DOC are extremely secure and staff does an exemplary job holding these high standards. KCN can ensure that NO OUTSIDE ITEMS will enter a facility to breach security. KCN uses see-through clear plastic bag. Orders are checked in the warehouse for completeness and security reasons after they are picked and bagged. KCN appreciates the high level of service the staff at each DE DOC extends to its inmates and KCN will uphold the same level of service.*

KCN has proposed strictly an off-site operation to the Baylor Women's Correctional Institution and Sussex Correctional Institution. Both facilities have expressed their satisfaction with the current commissary operation and KCN has chosen to match the off-site commissary operation. When KCN serviced BWCI, an off-site operation was utilized and worked successfully for the entire length of the contract.

KCN has also proposed an off-site commissary operation to the Howard R. Young Correctional Facility and the James T. Vaughn Correctional Facility.

Should all four of the DE DOC facilities determine that an off-site commissary operation would be fulfill their needs, KCN will open a warehouse in the State of Delaware.

Please see page 12 for a more detailed look at KCN's proposed commissary operation options.

4. Vendors shall include a delivery schedule with their proposal describing how items are to be delivered. State Bureau of Identification (SBI) numbers should be used for identification purposes. Vendor will work with each facility and comply with delivery schedules to include items delivered to offenders. The successful vendor must accommodate evening and weekend delivery hours if required by the facility.

Given the information provided from the questions and answers of this RFP, KCN has provided a delivery schedule outlining each DE DOC facility, the day of the week product will be shipped as well as the day of the week orders will be delivered to the housing units. Unfortunately, we were not provided with a breakdown of all of the housing units for each facility, however KCN will work with the DOC to mimic the current delivery schedules that are in place at each DE DOC facility. KCN understands that there may be a need for evening and weekend deliveries and will work with the facilities to accommodate these needs.

5. The successful vendor must provide all delivery personnel, equipment, and transportation to successfully deliver commissary orders to the DOC facility in a timely fashion. The successful vendor will be responsible for supplying the equipment needed to deliver the commissary orders to the facility units and/or offenders.

KCN will provide all personnel, equipment, and transportation to deliver orders to the DE DOC. KCN will follow the delivery schedule provided to the DE DOC to ensure all orders are delivered completely and on time.

6. If the successful vendor's main headquarters is located outside the State of Delaware, the successful vendor will be expected to have a satellite office/warehouse within close proximity to the DOC facility to ensure prompt delivery and service.

The KCN warehouse that will service the DE DOC is located at:

*301 Mill Rd.
Edison, NJ 08837*

Our facility has 187,000 square feet of office and warehouse space. From this warehouse we currently service correctional facilities in ME, VT, NH, MA, NY, RI, NJ, PA, CT, MD, DE and WV with next day service. We currently inventory over 4,500 commissary SKUs with a value of over \$11 million dollars.

We service over 500 correctional facilities from this location of which 132 are privatized.

Orders are processed by housing location and sent to the warehouse floor for pulling, checking and staging of these orders. On the floor the KCN Supervisor oversees a staff of 34 order pullers, 10

restockers, 6 checkers and 6 order processors who are responsible for picking, packing and staging the orders by location along with meeting the needs and reporting requirements of our customers.

Our order pulling area carries approximately 650 individual items to ensure speed and accuracy. Each facility is pulled individually with the KCN Supervisor overseeing the process to ensure that we meet the individual needs of each customer. At least one third of all orders are checked by our order checkers. In addition a bonus plan is in place that monitors the accuracy of our order pullers. After pulling each order it is processed, packaged and staged by housing unit.

See Attachment "C" for our Edison NJ Warehouse Specs.

Emergency Back Up Warehouses

In case of a natural disaster (hurricane, tornadoes, flooding, earthquake, etc.) Keefe Commissary Network will be able to re-route your commissary orders to one of our nine (9) KCN locations throughout the country. The orders would be processed from there and sent overnight without interruption to the agreed upon delivery schedule.

The three closest warehouses that would serve as a back up to our main Edison, NJ warehouse would be:

*Keefe/Chesapeake, VA
14,500 Square Foot Warehouse
\$850,000 in Inventory*

*Keefe/Strongsville, OH
100,000 Square Foot Warehouse
\$5,000,000 in Inventory*

*Keefe/Walpole, MA
20,000 Square Foot Warehouse
\$1,000,000 in Inventory*

In the event of a natural disaster that delays or stops commissary delivery, KCN would redeliver as soon as it were safe for all parties to do so and would refund all lost monies due to that disaster.

A prime example of our how our emergency contingency plan was successfully executed was the recent hurricane Sandy that devastated a major part of the East Coast in October of 2012. Our operations staff was able to reroute our customers orders to other distribution centers along the Eastern shoreline. This enabled us to continue to service our current customers with minimal interruptions to their day to day operations.

7. The transportation of all commissary orders to the DOC facility must be handled and delivered by vendor's personnel who have been previously cleared and approved by the DOC.

KCN will deliver all commissary orders directly to the DE DOC facilities in KCN's own trucks if KCN was to open up a warehouse in the state of Delaware. If KCN is to service the DE DOC from our Edison warehouse location, we will either use a Nationally Known Freight Carrier or deliver directly with KCN trucks to other sites depending on the operational needs of each facility. KCN will work with the freight

company responsible with the shipments to your facility to ensure that all drivers entering your compound are cleared by the DOC ahead of time. KCN will provide a list of the individuals cleared to enter the DOC compounds to the security staff for verification purposes. All KCN personnel will be cleared and approved ahead of time by each DE DOC institution.

8. Any spoiled or damaged merchandise shall be replaced or credited to the offender's account. Any credits or replacement of goods must be issued within 48 hours of the original delivery date, excluding weekends and holidays. A credit receipt shall be forwarded to the offender via institutional mail within 48 hours of the issued credit date.

KCN is aware of the DE DOC's desire to limit grievances related to commissary. With KCN, extensive product availability, fair market pricing and 24 hour customer service virtually eliminate inmate and/or family member concerns.

Using KCN's proposed system, credits will be processed the same day as delivery, increasing inmate satisfaction and simplifying the invoice process.

Keefe Commissary believes strongly in documentation of the offender communication process in order to track our resolution performance. We will upon receiving all concern/grievance forms:

- Properly reply based on facts*
- Document electronically an overview of the concern, category, and response*
- Keep and file our hard copy of the concern/grievance*
- Hand delivers the offenders copy of the concern/grievance to the mailroom for delivery to the offenders housing unit*
- Monthly we will send a complete report detailing all concerns/grievances received by us, to the contract monitor.*

Responsive customer service, value, and high quality products have been the cornerstones of our success. KCN will ensure all product will be delivered with this high quality standard or replace it. We stand behind the quality of our products!

9. The delivery personnel shall deliver the commissary orders to the offenders in their approved location, in an approved bag with a two part receipt form enclosed. The offender will sign for his or her merchandise and will receive one copy as a receipt. Merchandise shall be delivered to the offender who placed the order after producing the offender identification card that verifies his or her identity. Merchandise cannot be left with another offender or staff member for an offender who is not present. A credit shall be issued for merchandise that is undeliverable. A credit receipt shall be forwarded to the offender via institutional mail within 48 hours of the issued credit date.

KCN will follow the above procedure for delivering orders directly to the inmates of the DE DOC. KCN will ensure that all orders are packed in an approved bag with a two part receipt form attached. The offender will sign for his or her commissary and will receive one copy as a receipt of proof of purchase. Orders will only be distributed to an offender after he/she produces the offender identification card verifying his or her identity. Orders will not be left with anyother offenders or staff members, rather a credit shall be issued for any undelivered bags. All credit receipts will be sent to the offender after processing.

Please see below for a sample of KCN's inmate receipt:

P.O. BOX 17490
ST LOUIS, MO 63175-7490

ME: _____
SR: 881554
OK: PICO TIER: FUNIT CELL:
TE: PHILADELPHIA PRISON SYSTEMS GS 27369J 001

ORDER DATE: _____
ORDER NSR: 31417
CPR NSR: 67933 1
BEG FUND BAL: _____
PAGE: 1

| ER | SITE: | KEEFE | ITEM | DESCRIPTION | PRICE | TOTAL |
|--------------|-------|--------|------|---------------------------|-------|-------|
| 1 | 0015 | 822976 | 1 | SUAVE SHAMPOO 150Z | 2.25 | 2.25 |
| 1 | 0140 | 28924 | 1 | 1.5 OZ. DIAL ROLL ON | 1.23 | 1.23 |
| 2 | 0412 | 28920 | 3 | 50Z DIAL ANTIBACT SOAP | .52 | 1.04 |
| 2 | 1076 | 28768 | 1 | BIG BLUE PEN SOFT FEEL MD | .45 | .90 |
| 1 | 1417 | 821091 | 1 | DESSERT SPOON | .40 | .40 |
| 1 | 2021 | 8026 | 8 | 8 OZ CREAMER CLEARPACK | 1.03 | 1.03 |
| 1 | 2040 | 8028 | 3 | NESCAFE 40Z | 3.03 | 3.03 |
| 20 | 2080 | 8265 | 1 | SUGAR TWIN PACKET | .03 | .60 |
| 5 | 3261 | 84700 | 1 | HONEYBUN 4.75 OZ | .63 | 3.15 |
| 8 | 3305 | 82169 | 1 | LEMON PIE | .67 | 5.36 |
| 2 | 6002 | 8009 | 1 | BEEF RAMEN NOODLE | .40 | .80 |
| 5 | 6011 | 8505 | 1 | RAMEN VEGETABLE | .40 | 2.00 |
| 2 | 6143 | 85113 | 1 | SOUR CREAM & ONION 5.5 OZ | 1.44 | 2.88 |
| 2 | 6165 | 85112 | 1 | BBQ CHIPS 60Z | 1.32 | 2.64 |
| 1 | 6410 | 8120 | 1 | GRAPE JELLY | 1.80 | 1.80 |
| 1 | 6417 | 8080 | 1 | CREAMY PEANUT BUTTER 18 O | 2.33 | 2.33 |
| SUB-TOTAL | | | | | 31.44 | |
| SALES TAX | | | | | .00 | |
| ORDER TOTAL | | | | | 31.44 | |
| FUND BALANCE | | | | | .27 | |

CTED ITEMS

| Y | ITEM DESCRIPTION | REASON |
|------|---------------------------|-----------------------------|
| 2048 | NESTEA W/LEMON & SGR 110Z | Insufficient Funds |
| 2080 | SUGAR TWIN PACKET | Exceeded Time Span Quantity |
| 3305 | LEMON PIE | Exceeded Time Span Quantity |
| 6002 | BEEF RAMEN NOODLE | Insufficient Funds |
| 6174 | BC HOT CHILI W/ BEANS | Insufficient Funds |
| 6194 | BC SLOPPY JOE | Insufficient Funds |
| 1217 | KOSS REPLACEMENT HEADPHON | Insufficient Funds |
| 1332 | HANDBALL (1-EA) | Insufficient Funds |

IT SHORTAGES AND/OR DAMAGES HERE:

| M# | QUANTITY | CATEGORY/DESCRIPTION |
|----|----------|----------------------|
| | | |

INED _____ DATE _____

THESSED BY _____ DATE _____

10. The successful vendor shall develop a procedure and complaint form to handle disputed issues related to the commissary program. The form shall be a two-part form so that the offender has a record of the complaint that is submitted. The procedure shall include provisions for the delivery staff to receive the written complaint at the time the delivery is made. The delivery staff shall be required to submit the complaint forms to the vendor who will be responsible for processing the complaint. The DOC will require that a documented resolution to the complaint be forwarded to the offender prior to the offender's next scheduled ordering date. A copy of the complaint and procedure form shall be submitted with the vendor's proposal. The facility Warden should receive a monthly summary of all offender complaints and the resulting resolutions.

KCN offers a variety of methods to quickly and efficiently handle inmate complaints or problems to the satisfaction of all parties. KCN will follow the DOC's Grievance guidelines. We will work with the review committee and respond to all grievances within 24 hours of receipt. KCN will also provide a witness when required by the DOC. Our Operation Managers will have an on-going line of communication with the DOC to ensure that all grievances are handled quickly and efficiently.

KCN does utilize a two-part grievance form so that offenders have a record that the complaint has been submitted. Please the following page for this grievance form specifically designed for the Delaware Department of Corrections. Should the DOC wish to utilize a different form for those areas of the facilities not utilizing the Edge® Housing Unit Kiosks, KCN will certainly adjust the form accordingly.

KCN's delivery staff can gather all grievance forms for processing at our regional office. KCN can then return the form with a resolution to the offender before ordering the following week. The facility warden can receive a monthly summary of all offender complaints and resolutions.

Because the DOC will be utilizing the Edge® Housing Unit kiosks, inmates will be able to electronically send grievances directly to KCN. Please see Attachment “D” for more information on KCN’s grievance process in the Offender Communication Center on KCN’s Edge® Housing Unit Kiosks.

11. The vendor will be responsible for engraving the offender’s full name and personal identification number on all items purchased that are required to be on the offender’s electronic property record, prior to distributing the items to the offender. Vendor staff will be responsible for delivering the items to the offenders once engraved and placed on the electronic property record. Prior approval must be given by DOC staff for inventoried items to be sold to specific offenders.

KCN will engrave the offender’s information on all electronic property items and deliver directly to the DE DOC inmates. Prior approval will be given by DE DOC staff for all inventoried items to be sold to specific offenders.

G. Commissary Menu

1. The successful vendor and DOC representatives shall meet at least twice per year and agree upon the items authorized for sale on the commissary menu. After the initial meetings, no items may be added, deleted, or changed in brand, packaging, sizing or pricing without mutual agreement of the Warden of the facility and the Bureau Chief of Prisons. As the needs of the facility change, the successful vendor and the facility Warden or his/her designee shall meet to discuss any modifications to the commissary menu. For security reasons, the awarded vendor must have the ability to immediately delete items from the menu and pending deliveries of items identified as a possible security threat.

KCN agrees to meet with the DE DOC at least twice per year to discuss product selection on the commissary menu. All changes to the menu including but not limited to: additions, deletions, changes in brand, packaging, sizes or prices must be approved by the Warden of each facility and Bureau Chief of Prisons. KCN can meet with any facility Warden or facility personnel concerning the commissary menu by request of the DE DOC staff. KCN does have the ability to immediately delete items from the menu.

2. The successful vendor shall have a variety of commissary products available to offenders to include the following: institution approved locker boxes, hygiene products, stationary materials to include indigent mail supply packs in accordance with each facility policy, greeting cards and envelopes, food items, a selection of food items that meet Kosher and Halal standards, games and limited clothing items to include white clothing items, religious clothing items (Kufi) and slip-on footwear. Vendor should have the capability of silk-screening all clothing items with “DOC” in size and location as specified by each facility. Products should be geared to service a diverse and ethnic male and female population. Successful vendor should also include products geared to provide healthy food options.

KCN is offering a uniform commissary menu to the DE DOC as requested in the question and answers of this RFP.

*KCN has a the largest variety of commissary products available to the DE DOC offenders. Please see **Attachment "I"** for a sampling of the type of products KCN has available for sale.*

*Please see **Attachment "L"** for a listing of Kosher/ Hallal certified food items KCN can offer the inmates of the DE DOC.*

KCN does have the ability to silk-screen all clothing items with "DOC" by request of the facility.

Please see below for a listing of healthy food items KCN can offer the offenders of the DE DOC.

| Item Number | Item Description and Size | Nutritional Facts |
|-------------|---|--|
| 2011 | KF Decaf (Clrpk w/Zip) 3oz | No Sugar, Cholesterol, Fat or Sugar |
| 2056 | Raspberry Ice .09oz. | Sugar Free, No Fat or Carbs, No Cholesterol |
| 2057 | Lemonade .09oz. | Sugar Free, No Fat or Carbs, No Cholesterol |
| 2058 | Light Peach .09oz. | Sugar Free, No Fat or Carbs, No Cholesterol |
| 2090 | Instant Breakfast Drink Variety (Box) | Low Cholesterol, 500 mg Calcium, 540 mgs of Potassium, No Trans Fat |
| 2550 | Carnation Dry Milk 10oz- | No Fat, 300 mgs of Potassium |
| 2630 | Brushy Creek Black Beans 10 oz | No Cholesterol, 300 mgs of Potassium, Low Fat and High in Protein |
| 2986 | Nabisco Oreo Thin Crisps 100 Calorie Pack | No Trans Fat, No Cholesterol, Low in Sugar |
| 3039 | Maria Cookies | No Cholesterol, Low Fat and Sugar |
| 3085 | Estee Van SF Cookies - | No Sugar, Low Fat and Sodium, No Cholesterol |
| 3093 | Turkey Sausage w/Honey & Brown Sugar - 5oz. | No Trans Fat, 298 mgs of Potassium |
| 3098 | Unsalted Crackers 16oz. | No Cholesterol, Low in Sugar and Sodium, No Trans Fat |
| 3118 | Wheat Thins 10 oz. | Low Fat, No Cholesterol, Low in Sugar |
| 3500 | BB Honey 12 oz. Cylinder | No Fat or Cholesterol, 7 gms of Potassium, 11.5 gms of Natural Sugar |
| 4014 | Dietetic Chocolate 1.65 oz | No Trans Fat, Low Cholesterol, no Sugar |
| 4155 | Sugar Free Wild Fruit 1.75 oz | No Trans Fat, No Cholesterol Low Carbs and only 9 Calories per serving |
| 4896 | Brushy Creek Turkey Chili w/Beans 8 oz. | No Trans Fat, Low Cholesterol, Good Source of Protein |
| 4900 | Fresh Catch Yellowfin Tuna Steak inSpicy Thai Chili Sauce - | High in Omega 3 Fatty Acid, Low Fat and Cholesterol, No Carbs |
| 6050 | Rice Zipper Bag 7 oz.- | No Cholesterol, Low Fat, No Sugar |
| 6051 | KK Brown Rice 6.5 oz. | No Cholesterol, Low Fat, No Sugar, High in Fiber |
| 6108 | Moon Lodge Pretzels 11oz. - | No Trans Fat, Only 140 Calories per 1 oz serving |
| 6156 | ML Light Butter Microwave Popcorn 3.5oz | No Trans Fat or Cholesterol, Low Fat, Only 15 Calories per 1 Cup Serving |
| 6178 | Fresh Catch Mackerel 3.53 oz | High in Omega 3 FattyAcids, Low Fat and Cholesterol, No Carbs |
| 6179 | Fresh Catch Sardines in Oil 3.53 oz | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6183 | Fresh Catch Clams 3.53 oz.- | High in Omega 3 Fatty Acids Low in Fat and |

| Item Number | Item Description and Size | Nutritional Facts |
|-------------|---|--|
| | | Cholesterol, No Carbs |
| 6190 | Fresh Catch Fish Steaks/Grn Chilies 3.53 oz | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6191 | Fresh Catch Salmon Flakes 3.53 oz.- | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6195 | Premium Chicken Breast 4.5 oz.- | Low Fat, High in Protein, Low Cholesterol |
| 6197 | Bumble Bee Albacore Tuna 3oz. | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6200 | Natural Microwave Popcorn 2.5oz.- | No Trans Fat or Cholesterol, Low Fat, Only 30 Calories per 1 Cup Serving |
| 6205 | Cashews 2.5oz.- | No Cholesterol, High in Protein and Potassium |
| 6401 | Granola Bar Variety (Box) - | No Cholesterol, 15.5 mgs of Calcium, Low in Fat |
| 6426 | Salsa Sqz. Bottle 15.5 oz | No Fat, Cholesterol or Sugar, 98 mgs Potassium |
| 6540 | Strawberry Cereal Bar 1.3oz | No Fat, Low in Sugar, 200 mgs of Calcium |
| 6600 | Flour Tortillas 8 oz | No Cholesterol, Low Fat, Low Carbs |
| 6610 | KK Plain Bagel 4oz. | Low Fat, No Cholesterol or Sugar |
| 6612 | KK Cinnamon Raisin Bagel 4oz | Low Fat, No Cholesterol Or Sugar |
| 6719 | Fresh Catch Kipperred Snack 3.53 oz.- | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6721 | Fish Steaks in Hot Sauce 3.53 oz | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6741 | Whole Kernel Corn 7 oz.- | No Fat or Cholesterol, Low in Sugar |
| 6761 | Octopus 3.53 oz. - | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |
| 6826 | Fresh Catch Tuna 4.23 oz. | High in Omega 3 Fatty Acids, Low Fat and Cholesterol, No Carbs |

Please see below for a listing of products specifically geared toward the ethnic offender population.

| ITEM NUMBER | DESCRIPTION/ SIZE | MANUFACTURER |
|-------------|-----------------------------------|-------------------|
| 0030 | S-8 SHAMP 7.5 OZ | SULFUR8 |
| 0031 | S-8 ORIG 2 OZ COND | SULFUR8 |
| 0035 | DRK & LVLY DETANG SHAMPOO 13.5 OZ | DARK & LOVELY |
| 0036 | DARK & LOVELY REGULAR RELAXER KIT | DARK & LOVELY |
| 0037 | CONDITIONING SHINE GEL 6 OZ | J. STRICKLAND &CO |
| 0040 | MAGNIF HAIR FOOD 4 OZ | J. STRICKLAND &CO |
| 0041 | MOISTURIZING HAIR CREME 6.1 oz | DARK & LOVELY |
| 0044 | GEL POMADE 3.5OZ | SPORT N WAVE |

| ITEM NUMBER | DESCRIPTION/ SIZE | MANUFACTURER |
|-------------|-----------------------------------|-------------------|
| 0045 | RYL CRWN HAIR DRS 4 OZ | J. STRICKLAND &CO |
| 0050 | BLU MGC COND/HAIRDRS 4 OZ | J. STRICKLAND &CO |
| 0051 | BLU MGC BERG HAIR/SCALP COND 4 OZ | J. STRICKLAND &CO |
| 0055 | PRO GLO POMADE 4 OZ | PRO-GLO |
| 0062 | MOISTURIZING HAIR CRÈME 6.1OZ | DARK & LOVELY |
| 0065 | JUST SO CURL ACTIVATOR GEL 5 OZ | J. STRICKLAND &CO |
| 0069 | SHINING GEL 4OZ | LETS JAM |
| 0070 | PRO GLO CCB CRM W/ALOE 4 OZ | GENUINE |
| 0265 | SKIN CRÈME 2OZ | AMBI |
| 0274 | COCOA BUTTER CREAM 6OZ | SOFTEE |
| 0441 | BLK & WHT SOAP 3.5 OZ | GENUINE |
| 0837 | BLACK STRECH CAP | COOL |
| 4201 | COCOA BUTTER SOAP 3.5OZ | AMBI |

KCN manufactures and distributes commissary and canteen items specifically designed for the correctional industry. Our products are sold only to the correctional commissary marketplace. KCN is the only provider that designs and develops products to meet the unique needs of the correctional marketplace. During the course of the contract KCN will offer the DOC numerous healthy & innovative items to add to their commissary list. Most of these products are developed by our product development staff with three goals in mind: security, value and quality.

KCN's high quality private label brands combined with our relationships with major manufacturers such as Colgate-Palmolive, Maruchan, Lever, Proctor and Gamble, etc. give Keefe an advantage over competitors. Keefe gets direct shipments from manufacturers to ensure product availability. We are not a middle man nor are we reliant upon others besides the major manufacturers for our products.

KCN prints monthly reports to show usage's by product per month. KCN conducts inventories using this report on a weekly basis to ensure high quality and sufficient quantity of inventory. The inventory will consist of counting all product to ensure sufficient supply of inventory to prevent all backorders, checking quality of inventory and packaging, and checking dates on all perishable product to ensure proper rotation of inventory. KCN accepts responsibility for its entire inventory and will ensure high quality products, no backorders, and no substitutions without ample notification and approval from the Contract Manager.

In an unlikely event we do experience a "low stock" status; we would source products from one of our 16 distribution centers around the country.

KCN currently operates at better than a 99% fulfillment rate.

3. Vendors shall submit with their proposal a list of all items they can provide to the offenders. All items shall include an item description, manufacturer, product size, weight and the cost to the offender. Failure to include any or all of this information shall be considered a failure to comply with the RFP specifications.

KCN has submitted with this RFP response, a proposed commissary menu. Description, manufacturer, product size, weight, and cost to the offender are all included.

Please see Attachment "I" for a sampling of the type of products KCN has available for sale.

Please see Attachment "J" for KCN's proposed commissary menu.

H. Commissary Product Specifications

1. The following limitations shall apply to all commissary items:

- All products must be appropriately labeled for resale;

All products supplied by KCN are appropriately labeled for resale.

- All food items shall be wrapped/packaged and dated for individual consumption;

All products supplied by KCN are delivered wrapped and in a package. Each package is dated to ensure freshness of our products.

- All containers shall be made of non-breakable materials and be suitable for a high security institution;

KCN is aware of the importance of security in this field. All products supplied by KCN are constructed of non-breakable materials. Samples of any item can be supplied by request of the DOC.

- No product shall contain any foil packaging;

KCN will not provide any items in foil packaging.

- No products shall contain irritants or chemicals which can be used to harm others such as capsaicin or bleach;

KCN will not provide any items containing irritants or chemicals that can be used to hurt others.

- No products shall contain fermentation components used to create alcohol such as yeast or fresh fruit;

KCN will not provide any items containing fermentation ingredients that can be used to create alcohol.

- No product shall contain chemicals which can be mixed with other products to react chemical reactions and/or poisons;

KCN will not provide any items containing chemicals that can cause a chemical reaction.

- No product shall be packaged in metal or glass;

KCN will not provide any items packaged in metal or glass.

- No product shall contain alcohol or any Controlled Dangerous Substance (CDS-based chemical);

KCN will not provide any items containing alcohol or any Controlled Dangerous Substance.

- No product shall contain tobacco; and,

KCN will not provide any items that contain tobacco.

- Products must be non-perishable.

All products provided by KCN will be non-perishable.

KCN's only business and only focus is correctional institutions. Our products are manufactured and tailored with the safety and security of our customers in mind.

2. All clothing products must be of a satisfactory quality and free from manufacturing defects.

KCN holds product quality in the highest regard. All products supplied by Keefe Commissary Network will be of more than satisfactory quality and free from manufacturing defects. Should the DOC feel that any item does not meet these standards, KCN will credit or replace the item to the offender immediately.

3. The DOC reserves the right to include or exclude any items for sale.

KCN understands that the DOC has the final say of all items made available to the offender population and will never introduce an item to the population without prior DOC approval.

4. The facility Warden may require vendors to submit samples of clothing or other products for sale.

KCN will submit samples of any items offered to the DOC by request of the facility.

I Product Pricing

The DOC reserves the right to determine the final retail selling prices to the offenders. The percent of commission of the Department will remain the same regardless of the retail selling price set by the DOC.

While KCN is providing commissary menus to the DE DOC, this is only a suggested menu of selected items. KCN understands that the DOC shall determine the final retail selling prices to offenders and is open to negotiate final pricing during our initial startup meetings if KCN is chosen to be the DOC's commissary provider.

1. The successful vendor must have a retail license for all product sales.

*KCN does have a retailing selling license for all product sales in the state of Delaware. Please see **Attachment "M"** for a copy of KCN's retail selling license.*

2. Vendors shall submit their own commissary listing and the suggested price for each item with their proposal. Vendors shall use their commissary listing and their pricing to determine the amount of the mark-up for the vendor and commission for the DOC.

*KCN has submitted a uniform pricing structure for all DE DOC facilities. This pricing structure is based on retail pricing for the surrounding areas. Our commission structure is based on the operational needs of each DE DOC facility. Please see **Attachment "J"** for a copy of this commissary menu. The commissions offered to each facility of the DE DOC have also been included in this response. Please see **pages 61** for this information.*

3. The pricing of the products agreed to by the DOC shall be in effect for the duration of the contract unless changed by mutual agreement of the facility Warden and Bureau Chief of Prisons.

The pricing of listed on the commissary menu will be in effect for the duration of the contract, unless agreed upon by each facility Warden and Bureau Chief of Prisons. Shall KCN experience a substantial increase in certain products due to some unforeseen market conditions, we would appreciate the cooperation of the DOC in finding a suitable replacement for said product.

4. All products provided by the awarded vendor should be geared to serve a diverse and ethnic male and female population.

KCN manufactures and distributes commissary and canteen items specifically designed for a diverse and ethnic female population. Our products are sold only to the correctional commissary marketplace. KCN is the only provider that designs and develops products to meet the unique needs of the correctional marketplace. These products include but are not limited to women's deodorant, cocoa butter soap and lotion, Dark & Lovely shampoo and conditioner, Bergamot hair dress and hair food. During the course of the contract KCN will offer the DOC numerous new innovative items to add to its commissary list. Most of these items are developed by our product development staff with three goals in mind: security, value and quality.

J. Brand Names

Any manufacturer's name, trade name, brand name or catalog numbers that are used in these specifications are for the purpose of describing and establishing general quality levels. Such references are intended to be restrictive. Proposals will be considered for any brand that meets or exceeds the quality of the specifications that may be listed for any item.

Any manufacturer's name, trade name, brand name, or catalog numbers that are used in this RFP response are strictly for the purpose of describing and establishing general quality levels. These references are restrictive.

Over the past 34 years, Keefe has created a correctional commissary market which did not exist. From our first coffee sales in a nonmetal container back in 1974 to our most recent line of can-less pouch products, Keefe continues to lead the industry in product innovation. Keefe is both the leading supplier of name brand products, and the manufacturer of private label goods as well. KCN has pioneered many products designed especially for the prison industry. In fact, KCN worked with food packagers to create the first tuna fish in a pouch product. KCN provided tuna in a pouch to the correctional industry one year prior to Starkist bringing their product to the retail market. KCN has a team of seven dedicated product development staff whose sole job duty is to create new "correctional friendly/security conscious" commissary products every day. The product development team works directly with KCN's packaging plant in St. Louis (Keefe Manufacturing) to package our own products that are specifically designed only for correctional commissary consumption and are packaged with correctional security in mind. Keefe has experience working with major manufacturers in developing products such as Kraft, Maruchan and Nestle. Our private label brands include E.Z. Digby's bagged candy, Cactus Annie, Keefe Kitchens, Zippy Cakes, Brushy Creek, Fresh Catch and Ryan's Ranch food lines as well as Next 1 and New Day hygiene products. KCN also pioneered the development of clear packaging. All items are individually wrapped and dated for individual consumption. Each item is designed and/or selected with quality, security and safety in mind. Our products go beyond industry standards and in many cases have higher nutritional values or more active ingredients (hygiene items) than name brands.

Below are a few product bullets that address the specific needs of the correctional market:

- *Clear Packaging (most products)*
- *Many products kosher and Halal certified*
- *Name brand items in clear and /or re-sealable packages, including Kool-Aid, Tang, Country Time, Nescafe, Nestea, Maxwell House, Velveeta line*
- *Ritz Top-ems in a 5.33-oz size – a better size for our market than the standard 16-oz*
- *Squeeze-ums condiment strips...provides the advantage of single serve, but offered as a "strip" of 12 together, so they don't have to count out individual condiment packs.*
- *Full line of 11 Brushy Creek ready-to-eat meals in pouches, rather than security risks of cans.*
- *Full line of 13 Fresh Catch Seafood items in pouches, rather than security risk of cans. KCN will turn the DE DOC into a can free operation. This will eliminate the security threat that cans bring to a correctional environment. KCN's wide selection of pouch products will make this an easy transition for the Offender population. This was successfully implemented at the MA DOC and VA DOC.*
- *Ramen instant noodles with clear windows on film*

- *Zippy Cakes Snack Cakes in multi-pack boxes with clear window, to stop contraband from being hidden inside*
- *Cool Wave Toothpaste in clear tube (ADA certified)*
- *Power-Up deodorant line, all with clear barrels*
- *Clear bottles for New-Day pharmaceuticals*
- *Clear electronics under brands including Sony, GPX, Jensen, and RCA*
- *Next 1 Soaps, Hair Care and Lotions include a number of key features:*
 - *Large dispensing closure to reduce squirting of products*
 - *Heat seal/tamper proof liner*
 - *Clear Container*
 - *No animal by-products*

K. Inventory and Substitution Requirements

1. The successful vendor is responsible for all inventory control and shall maintain sufficient inventory levels at their warehouse in order to avoid shortages.

KCN will maintain inventory control for all aspects concerning this contract to avoid shortages to the DE DOC.

KCN is responsible for purchasing, receiving and maintaining all supplies that are necessary to fulfill this RFP. If an item is missing from a commissary order, KCN will promptly resolve the situation. As the largest provider of commissary goods and services KCN will maintain an optimum fill rate.

KCN manufactures and distributes commissary and canteen items specifically designed for the correctional industry. KCN's high quality private label brands combined with our relationships with major manufacturers such as Colgate-Palmolive, Maruchan, Lever, Proctor and Gamble, etc. give Keefe an advantage over competitors. Keefe gets direct shipments from manufacturers to ensure product availability. We are not a middle man nor are we reliant upon others besides the major manufacturers for our products.

KCN prints monthly reports to show usage's by product per month. KCN conducts inventories using this report on a weekly basis to ensure high quality and sufficient quantity of inventory. The inventory will consist of counting all product to ensure sufficient supply of inventory to prevent all backorders, checking quality of inventory and packaging, and checking dates on all perishable product to ensure proper rotation of inventory. KCN accepts responsibility for its entire inventory and will ensure high quality products, no backorders, and no substitutions without ample notification and approval from the Contract Manager.

In an unlikely event we do experience a "low stock" status; we would source products from one of our 16 distribution centers around the country.

KCN currently operates at better than a 99% fulfillment rate.

2. Items unavailable at the time the order is filled shall not be substituted by the vendor.

KCN will not substitute any items for any offender housed in any DE DOC facility. Items will be credited to the offender if not available at the time of fulfillment.

3. No items may be added, deleted, or changed in brands, packaging, or sizing without the agreement of the facility Warden and Bureau Chief of Prisons.

KCN will not make any item changes including but not limited to: additions, deletions, brand changes, packaging, or sizes without agreement from the facility Warden and Bureau Chief of Prisons.

L. System Support

The successful vendor shall provide the following services:

1. Be available to respond to any system software problem 24 hours a day, 7 days a week.

KCN Technical Services will be available to respond to any system software problem 24 hours a day, 7 days a week. KCN actually provides four areas of services to customers on a daily basis.

- *Contact Services – first line of contact for service requests via phone or e-mail*
 - *Phone requests are routed through CISCO Call Manager on a 24 x 7 x 365 basis – phone requests are placed by dialing 800 864-5986.*

- *When are phone services available?*

Business hours are defined as 8 AM – 5 PM Monday through Friday CST.

During business hours, inbound calls are answered by an administrative attendant. The administrative attendant determines whether the call is related to marketing, accounting, or technical services. If the call is technical in nature, the attendant can route the call either to the direct extension of an individual technician or to the call-queue for the first available technician.

- *Calls queued for the first available technician can travel through four staff levels, with an increasing cumulative number of extensions accessed throughout wait-time.*
 - *If a queued call is not answered within five minutes, the call is routed to a voice mail extension which records a message from the caller and automatically begins paging a group of six escalation phone numbers.*
 - *Calls directed to an individual technician are subject to the current availability of that technician at the time the call is transferred.*
- *Any inbound call outside of business hours can access technical support by choosing option 7 on a touch-tone phone. When option 7 is selected, the call routing routine first checks for available staffed extensions. If none are*

available the call is routed to a voice mail which automatically begins paging a group of six escalation extensions. On-call staff are equipped with notebook computer systems integrated with wireless internet access and VPN access to the KCN Corporate Service Center

E-mail requests are monitored during business hours by a designated Service Center administrator.

- *The Solutions Center administrator screens e-mail either for immediate response or for escalation as a service event.*
- *If escalated to a service event, the Service Center Administrator opens a CRM Case and either assigns the case to a technician or adds the case to the service ticket queue.*

Contact Services Staff are located at the KCN Service Center Corporate Office in St. Louis MO Monday through Friday 6 AM – 7 PM CST

On-Call Staff are located off premises Monday through Friday 5 PM – 8 AM, Saturday and Sunday 24 hrs. per day, and Monday morning 12 AM – 8 AM.

- *On-Call staff are located at the KCN Service Center Office in St. Louis MO Monday through Friday 8 AM – 5 PM*

All customer support cases are documented in Microsoft CRM. History is available to all field sales staff and regional management on a real time basis.

Examples of first line support services

- *Resolution of communications errors*
- *Analysis of hardware errors and replacement of defective hardware*
- *Standard end-user training*
- *Order Tracking, Order Processing, Pricing Updates*

Escalation Services – delivery of complex helpdesk service requirements. Contact Services escalate more complex service requirements to a higher level of complexity and urgency

Examples of complex service requirements

- *Recovery of failed hard drive and / or data recovery*
- *Re-configuration of standard software features including*
 1. *Accounting profiles*
 2. *Commissary restrictions*
 3. *Integration settings*
 4. *Communications setup*
 5. *Bank, check and cash management features*
 6. *Receipt settings*
 7. *Standard installations and upgrades.*
- *Analysis and reporting of software errors*

- *Specialized end-user training*
- *Standard Software Upgrades*

2. Provide maintenance for all vendor owned/leased equipment as reasonably required or on notification by DOC staff.

KCN agrees to provide maintenance for all KCN equipment as required by the DE DOC.

The KCN hardware and software will be provided, warranted, and maintained by KCN at no cost to the DOC for the life of the Agreement. During the term of the Agreement, KCN agrees to keep current both the KCN hardware and software. Any and all upgrades of hardware and software as well as additional training to facility staff will be provided by KCN at no cost to the DOC for the life of the Agreement.

Hardware Service Agreements – repair and or replacement of defective hardware

Hardware failures are covered under contracts with manufacturers such as Dell, Wyse, NCS, Brother, Tally Genicom, etc. These are typically 24-hour turnaround contracts for workstations, same day service for servers, and depot/warranty replacement for peripherals and kiosks. The facility may also opt to have KCN provide on-site or depot service spare equipment to maximize utilization and minimize downtime in the event of hardware failure.

- *Server maintenance options are as follows:*

- *Gold Dell on-site server service - would include 4-hour 24 x 7 x 365 on-site response time guaranteed by Dell Computer Corp after dispatch by KCN help desk staff*

- *Workstation maintenance options are as follows:*

- *Standard Dell on-site workstation service - would include 8-hour 8 x 5 on-site response time guaranteed by Dell Computer Corp after dispatch by KCN help desk staff*
- *Depot - backup workstation service - would include the storage of a 'cold spare' workstation CPU at the Regional Distribution Center. In the event of a workstation failure at the facility, the cold spare could be installed and connected to the server database for use in a matter of hours by KCN staff. At such time as the original workstation is repaired the process can be reversed at off-peak hours to re-introduce the original workstation, and return the 'cold spare' to depot status. The cost of 'depot - backup workstation service' is reflected in the cost proposal*

- *Pod Kiosk maintenance options are as follows:*

- *Depot – backup pod kiosk shells are stored at the regional distribution center. In the event of a kiosk failure, facility maintenance staff would be trained to remove the defective pod kiosk shell and replace it with the spare. The defective shell would be shipped to KCN Technical Services to be refurbished. Once refurbished, the shell would be shipped back to the regional business center as one of the spare units.*

- *Lobby Kiosk maintenance options are as follows:*

- *Depot – backup lobby kiosk shells are stored at the regional business center. In the event of a lobby kiosk failure, facility maintenance staff would be trained to remove the defective pod kiosk shell and replace it with the spare. The defective shell would be shipped to KCN Technical Services to be refurbished. Once refurbished, the shell would be shipped back to the regional business center as one of the spare units.*

- *Monitor, modem, printer, OMR scanner maintenance options are as follows:*

- *Standard peripheral replacement services - In the event of failure of one or more of these peripherals, KCN will ship a replacement for next day delivery. In the event that the OMR scanner can be repaired / replaced directly by NCS and this would be a quicker solution to return the equipment to service, KCN Tech services will exercise the NCS service option.*
- *On-site depot peripheral replacement services - KCN will store one of each of these peripherals at the regional Distribution Center. In the event of a failure of one or more of these peripherals, KCN regional Distribution Center staff will replace the peripheral(s) with a spare unit, and return the failed unit to KCN Headquarters Technical Services for repair or replacement by the related vendor. KCN Headquarters will return a service replacement to the regional Distribution Center and have the failed unit repaired or replaced by the associated manufacturer or vendor. The cost of 'on-site depot peripheral replacement services' is reflected in the cost proposal.*

Facility Preventive Maintenance Recommendations:

- *Server:*
 - *Quarterly synchronization of RAID array and defragmentation of hard drive partitions: 6 - 8 hours per quarter*
 - *Quarterly update of virus software - 1 hour per quarter*
 - *Monthly cold boot and observance of Power On Self-Test messages to insure function of RAID array, CPU and RAM - 1 hour per month*
 - *Bi-annual software upgrade at option of facility - 2 hours each six months*
 - *Daily exchange of backup tapes for nightly scheduled backup - 1/4 hour per day (no downtime required)*
 - *KCN service technicians typically monitor and maintain the KCN system that has the DB2 instance installed. Monitoring and maintenance includes daily off-site backups via secured web connection to KCN's corporate data center, dial-in or VPN maintenance sessions, including database tuning, software upgrades, and assessment for hardware upgrade requirements. The client is expected to provide reasonable access to KCN service tech staff on a scheduled basis to perform these maintenance functions – 1 hr per month.*
- *Total Annual estimated preventive maintenance downtime - 64 hours / 61,320 hours per year for one-tenth of one percent annual server preventive maintenance downtime*
- *Workstations:*
 - *Weekly cold boot and observance of Power On Self Test messages to insure function of hard drive, CPU and RAM - 1/2 hour per week*
 - *Bi-annual software upgrade at option of facility - 1/2 hour each six months*
- *Total Annual estimated preventive maintenance downtime per workstation - (64 hours of server downtime + 27 hours of workstation downtime) / 61,320 hours per year for fifteen-hundredths of one percent annual workstation preventive maintenance downtime per workstation*
- *OMR Scanner:*
 - *Weekly calibration, read head cleaning, and paper path cleaning - 1 hour per week (can be accomplished between scanning sessions when scanner is not required to be actively scanning forms)*

- *Total Annual estimated preventive maintenance downtime per OMR scanner - zero hours of downtime*
- *Miscellaneous Printers:*
 - *Monthly cleaning of moving parts with canned air - 1/4 hour per month per printer (can be accomplished when printer is not in use)*
 - *Replacement of consumables (ink cartridge, ribbon, toner) as needed - 1/4 per month per printer (can be accomplished when printer is not in use)*
- *Total Annual estimated preventive maintenance downtime per printer - zero hours of downtime*

Disaster Recovery Services

- *Off-site Database Backup Service*
 - *KCN DB2 database tables are automatically backed up on a daily basis. A compressed copy of these tables may be transported to the KCN Technical Services Data Center via a password protected secure web connection. (These extracted data are also available for storage at the facility within the facility's current backup storage procedures)*
 - *Backup server service – Cold Spare Depot*
 - *Would include the storage of a 'cold spare' server CPU at the Regional Distribution Center or the Central KCN Technical Services data center. In the event of a server failure at the facility, the cold spare could be installed and the database restored in a matter of hours by KCN staff. At such time as the original server is repaired the process can be repeated at off-peak hours to re-introduce the original server, and return the 'cold spare' to depot status. The cost of 'depot - backup server service' is reflected in the cost proposal.*
3. Respond to notification(s) from DOC staff to provide repairs for all vendor-owned/leased equipment within twenty-four (24) hours of notification.

Acknowledged and Agreed. KCN will respond to notifications from DOC staff to provide repairs for all equipment within 24 hours of notification as outlined above in KCN Technical Services and Hardware Services Agreement.

4. Provide repair(s) to all vendor-owned/leased equipment within 24 hours of notification. The successful vendor shall provide written documentation to the facility Warden as to the nature of the problem and the expected time for the repair(s).

Acknowledged and Agreed. KCN will provide repair to all KCN equipemnt within 24 hours of notification outlined above in KCN Technical Services and Hardware Services Agreement. KCN will provide written documentation to the facility Warden at the time of the repair.

5. Provide a toll-free support number accessible to staff 24 hours a day, 365 days a year to address any issues or problems that may arise.

Acknowledged and Agreed. KCN will provide a toll-free support number accessible to staff on a 24 hour basis, 365 days a year for any issues that may arrive. More information can be found in KCN's Technical Services and Hardware Services Agreement.

6. If applicable, the vendor shall provide with their proposal, a letter from their maintenance contractor for any leased equipment indicating the contractor's ability to fulfill the DOC's maintenance requirements. Additionally, the letter shall state the contractor's ability to monitor and receive calls 24 hours a day, 7 days a week for the duration of the contract.

Acknowledged and Agreed. KCN owns and supports ALL of its equipment. No equipment used for the purposes of this contract will be leased by KCN.

7. In the event of a major failure, the response time to make the repair(s) will be within four (4) hours following the notification of the failure.

Acknowledged and Agreed. KCN can assure the DE DOC that in the event of a major failure, the response time to make the repairs will be within (4) hours following the notification of the failure.

Due to the close proximity of KCN's warehouse to each DE DOC institution, KCN can provide local support as well as corporate technical support to troubleshoot any major issues that may arise.

M. 'Major Failure' Shall be Deemed to Have Occurred When

1. There is a system failure at any location;

Acknowledged and Agreed. KCN agrees that a system failure at any location is a "major failure".

2. Any one of the system's major functions ceases to operate; and/or

Acknowledged and Agreed. KCN agrees that in the even one of the system's major functions ceases to operate, a "major failure" has occurred.

3. Any one of the system's major functions fails to respond to an authorized command.

Acknowledged and Agreed. KCN agrees that a if one of the system's major functions fails to respond to an authorized command, a "major failure" has occurred.

N. Liquidated Damages

1. In the event the contractor fails to address a major failure, the DOC will be entitled to liquidated damages in the amount of \$100.00 for each hour beyond the initial fourth (4th) hour that the contractor fails to respond as calculated by DOC.

KCN understands and agrees to pay \$100.00 for each hour beyond the initial fourth (4th) hour that the contract fails to respond to a major failure as calculated by the DE DOC.

2. The DOC shall give the contractor written notice of the failure to respond within four (4) hours and the assessment of the liquidated damages.

KCN understands that the DOC will give written notice of the failure to respond within four (4) hours to a major failure and the assessment of the liquidated damages.

3. The DOC will calculate and specify to the contractor the total number of hours beyond the initial four (4) hours that the contractor failed to respond. This amount shall be payable to the DOC as liquidated damages.

KCN understands the DOC will calculate and specify the total number of hours beyond the initial (4) hours that the contractor has failed to respond. KCN agrees to pay this amount as liquidated damages past the initial (4) hours.

O. Installation and Servicing of Equipment

1. The successful vendor shall deliver and install, at its expense, all required hardware and software. The successful vendor will be responsible for ensuring that the daily operations of the DOC facilities will not be interrupted during the installation process.

Acknowledged and Agreed. The KCN hardware and software will be provided, warranted, and maintained by KCN at no cost to the DOC for the life of the Agreement. During the term of the Agreement, KCN agrees to keep current both the KCN hardware and software. Any and all upgrades of hardware and software as well as additional training to facility staff will be provided by KCN at no cost to the DOC for the life of the Agreement.

KCN provides a comprehensive transition service to its new customers which will not interrupt the facilities daily operations. These services include installation and maintenance of hardware and software, configuration, system integration, and onsite training. Software training arrangements include:

- *Setting up training room/environment.*
- *Managing end user schedule provided by the DOC.*
- *Providing end user guides/manuals provided by Keefe.*
- *Conducting hands on workstations.*
- *Training/testing database.*

As an example of KCN's capacity to meet the requirements set forth in this RFP, KCN was able to provide a full commissary service vendor transition in 2 weeks, for over 8,500 inmates spread over six facilities of the Philadelphia Prison System with no service interruptions.

2. Materials and computer equipment installation must be coordinated with the DOC facilities and DOC IT staff.

KCN agrees that all materials and computer installation will be coordinated with the DOC facilities and DOC IT staff.

3. The successful vendor shall assume complete responsibility for any tools, test equipment and/or other items that are the property of the vendor throughout the installation and testing phase of the contract. All such equipment is subject to inspection and

inventory when entering or leaving a DOC facility. The DOC assumes no responsibility for lost or damaged items that the successful vendor may leave on the premises during the installation phase of the equipment.

KCN will assume complete responsibility for any tools, test equipment and any other equipment whenever on-site throughout this contract. KCN understands all equipment is subject to inspection and inventory when visiting a DE DOC facility. KCN will not hold the DOC accountable for any lost or damaged items that are left on-site during the installation phases of this contract.

4. The successful vendor will not be responsible for the installation, maintenance, and service charge for any telephone, modem, or ISDN lines existing.

KCN understands that the successful vendor will not be responsible for the installation, maintenance, and service charges for any telephone, modem, or ISDN lines existing.

5. The successful vendor shall supply and maintain all equipment, hardware and software during the contract period. If necessary, the successful vendor shall replace any piece of hardware that ceases to function at a level deemed appropriate by the DOC. Any replacement parts or hardware shall be new and supplied at no additional cost to the DOC.

KCN understands the successful vendor shall supply and maintain all equipment, hardware and software throughout the entire contract period. KCN will replace any piece of hardware that ceases to function at a level deemed appropriate by the DOC. If it is determined that any hardware proprietary to KCN was damaged with malicious intent by DOC staff/ offenders, KCN reserves the right to be reimbursed for these damages by that responsible party. Any replacement parts of hardware shall be new and come at NO COST to the DE DOC.

6. The successful vendor will be responsible for any costs associated with the maintenance and repair of all vendor-owned/leased equipment and computer system hardware/software. Vendor will be responsible for any charges from the Department of Technology and Information (DTI) if applicable.

KCN agrees to be responsible for all costs associated with the maintenance and repair of all KCN equipment and computer system hardware/ software. KCN will maintain its proprietary hardware and does not anticipate the DOC DTI to be involved with the repair of any of its equipment. KCN does anticipate an integration fee for the initial interface and is prepared to cover any costs associated with it.

P. Utilities and Other Considerations

The DOC will provide a workstation that will include a desk, chair and telephone for local calls. The successful vendor will be responsible for any other equipment or services necessary to fulfill the obligations of the contract. Any other necessary equipment must receive prior approval of the facility Warden before attempting to bring such equipment onto the facility grounds. All technology equipment must be approved by DOC IT unit prior to installation, and installation must be overseen by the DOC IT unit.

KCN understands that the DOC will provide a workstation that will include a desk, chair, and telephone for local calls. KCN agrees to be responsible for any other equipment or services necessary to fulfill the obligations of this commissary contract. KCN will need to receive prior approval from each facility Warden before bringing any foreign equipment onto facility grounds. KCN agrees that all equipment must be approved by the DOC IT unit prior to installation and installation must be overseen by the DOC IT unit.

Q. Training

1. The successful vendor will be required to provide on-site training on their system to all employees as deemed appropriate by the facility Warden at no expense to the DOC.

KCN agrees to provide on-site training of KCN's system to all employees requested by the facility Warden. This training will absolutely come at NO COST to the DE DOC.

KCN will provide initial and ongoing training. Initial training can be estimated along functional lines.

- *Staff primarily responsible for intake and release, including initial deposits, initial charges, cash and check withdrawals at closeout and cash drawer balancing should plan on 4 - 6 hours of training per staff member not to exceed six members per training session*
- *Staff responsible for commissary order entry, restrictions management, refunds, etc. should also plan on 4 - 6 hours of training per staff members not to exceed six members per training session*
- *Staff responsible for fiscal management, including reconciling cash drawers, bank deposits, General Journal entries, and fiscal reporting including the Offender Control Account, Bank Reconciliation, Collected Recoverable distributions, payments to vendors, welfare fund, DOC service groups should plan on a full day of training following a four hour pre-planning session to establish financial profiles and restrictions prior to general staff training. These sessions also should not exceed six members per session.*

Documentation output from the training sessions will include customized procedure guides to be included in three forms: on-line as 'RoboHelp Info' books, browser accessible as local web-sites, and in paperback bound format. These guides become materials for ongoing training in the event of staff turnover during the length of the contract.

KCN provides an on-line help feature, including a visual reference guide, that explains the steps required to operate KCN software modules such as scanning, adjusting orders, setting up restrictions, reviewing rejections based upon restriction violations, dispatching orders via modem, and refunding orders.

KCN's on-line Help system is developed with Microsoft's RoboHelp. The resulting compiled Help system includes Table of Contents, Index, and Search features as are found in standard Windows applications.

Also included is a visual reference guide that explains the steps required to operate KCN software modules such as scanning, adjusting orders, setting up restrictions, reviewing rejections based upon restriction violations, dispatching orders via modem, and refunding orders.

Ongoing assistance is offered through our 24 - 7 - 365 toll free assistance line staffed by KCN Technical Services training personnel.

*Please see **Attachment "N"** for KCN's training plans for each individual DE DOC facility.*

2. To prevent a lapse in commissary services, the successful vendor shall provide initial training before the termination of the previous vendor's contract. The initial training shall consist of familiarizing and training DOC staff on the vendor's system (hardware/software).

*KCN agrees to provide initial training to the DE DOC personnel before the termination of the current contract. The training will consist of familiarizing the staff of the KCN technology system. Staff at the Baylor Women's Correctional Institute are already familiar with the KCN equipment because KCN has successfully serviced the BCWI in the past. KCN will provide as much training as necessary to staff at all facilities to ensure all staff gain the knowledge necessary to operate our commissary system before our official go-live date. Please see **Attachment "N"** for our individualized training plans broken down by facility.*

3. The successful vendor will be responsible for ensuring that the daily operation of the DOC will not be interrupted during the training process.

KCN understands the necessity of uninterrupted daily operations during training.

As an example of KCN's capacity to meet the requirements set forth in this RFP, KCN was able to provide a full commissary service vendor transition in 2 weeks, for over 8,500 inmates spread over six facilities of the Philadelphia Prison System with no service interruptions.

4. All vendors submitting a proposal must submit a training plan for each site.

*Please see **Attachment "N"** for a training plan for each Delaware Department of Corrections facility.*

5. Additional training may be required throughout the term of the contract at the expense of the successful vendor. The frequency of the training will be mutually agreed to by the parties as needed.

KCN encourages each DOC facility to contact us should any additional training be necessary. KCN will not charge the DOC for any additional training.

Ongoing assistance is also offered through our 24 - 7 - 365 toll free assistance line staffed by KCN Technical Services training personnel or our regional Techs can visit the facility for additional training.

KCN will provide an unlimited amount of web-seminars for any software user that may need additional training.

R. Commissions

1. Vendors submitting a proposal shall indicate the proposed percentage commission rate for both parties, of the total gross sales for all requirements set forth in this RFP. Proposals shall also identify the frequency of commission payments – monthly, quarterly, etc.

*KCN is providing the DE DOC with a fixed percentage commission rate based on gross sales. Commissions are typically paid monthly but KCN can adjust to the DOC's needs. KCN will provide different commission rates to each of the DOC facilities. Please see **page 61** for KCN's proposed commissions to the DOC.*

2. The Department's percentage commission shall remain firm and in effect for the duration of the contract period in accordance with the percentage rate indicated on the cost form. The commission rate for any subsequent renewal periods shall be in accordance with the applicable percentage rate indicated on the cost form pursuant to the applicable renewal period.

KCN agrees that the percentage commission granted to the DE DOC will remain firm and in effect for the full duration of the contract period. Should KCN be chosen as the commissary provider for the DOC and the DE DOC wishes to negotiate the commissions offered to the DE DOC facilities, KCN will adhere to any commission adjustments based on mutual agreement.

S. Accounting Requirements

The successful vendor will be required to submit a monthly report indicating the monies collected and to be remitted to DOC. The report shall indicate total gross sales and resulting commission. Commission checks shall be made payable to each individual facility served. At the request of the Department, the vendor should provide itemized reports, or provide authorization for DOC employees to run the itemized reports.

If awarded the contract, KCN will submit a monthly report indicating the monies collected and to be remitted to each DE DOC facility. This report does include total gross sales and resulting commission. Commission checks will be made payable to each individual DE DOC facility. KCN can also provide itemized reports by with the monthly reports. Please see below for a sample of our sample monthly commission report:

| | | | | | | | |
|-----------------------|--|--|--|--|--|----------------------------|--|
| REMITTANCE TO: | | KEEFE COMMISSARY NETWORK SALES 10880 LINPAGE PLACE ST. LOUIS, MO 63132 | | TO REORDER CALL: 1 - 800 - 864-5986 | | INVOICE NO: SI37427 | |
| BILL TO: | | FACILITY XYZ ACCOUNTING ABC LANE ST. LOUIS MO 63132 | | CUSTOMER: 31504J ORDER NO./PLACED BY: | | INVOICE DATE: 11/02/05 | |
| | | | | SHIP TO: FACILITY XYZ ACCOUNTING ABC LANE ST. LOUIS MO 63132 | | SHIP VIA: UPS | |
| | | | | | | SALESPERSON: HOUSE ACCOUNT | |
| | | | | | | TERMS: | |
| | | | | | | WORK ORDER NO: 64582 | |
| | | | | | | PAGE: 1 | |

| QUANTITY SHIPPED | U/M | PRODUCT CODE | DESCRIPTION | UNIT PRICE | AMOUNT |
|------------------|-----|--------------|--------------------------|-------------------------|--------|
| 2 | EA | 828 | BOOK OF TEN STAMPS | 01050 3.60 * | 7.20 |
| 8 | EA | 8008 | CHICKEN RAMEN NOODLES | 06000 .70 | 5.60 |
| 10 | EA | 8009 | BEEF RAMEN NOODLE | 06002 .70 | 7.00 |
| 4 | EA | 8010 | CHILI RAMEN NOODLE | 06005 .70 | 2.80 |
| 1 | EA | 8021 | 40Z KEEFE COFFEE | 02010 2.75 | 2.75 |
| 8 | EA | 8053 | TEA BAG | 02025 .25 | 2.00 |
| 6 | EA | 8207 | 5.25OZ CLUB CRACKERS | 03110 1.30 | 7.80 |
| 10 | EA | 8235 | S.S. KEEFE COFFEE | 02000 .25 | 2.50 |
| 40 | EA | 8265 | SUGARTWIN PACKET | 02080 .05 | 2.00 |
| 5 | EA | 8928 | 1 EACH 1ST CLASS STAMP | 01049 .36 * | 1.80 |
| 4 | EA | 8932 | SMALL WOMENS PANTIES | 01650 3.00 | 12.00 |
| 4 | EA | 8950 | 2.5OZ CHOC. CHIP COOKIES | 03010 .65 | 2.60 |
| 2 | EA | 8954 | M&M PLAIN | 04000 .70 | 1.40 |
| 5 | EA | 8955 | M&M PEANUT | 04001 .70 | 3.50 |
| 4 | EA | 8965 | POTATO CHIPS | 06100 .50 | 2.00 |
| 4 | EA | 8978 | LQ T-SHIRT | 01506 3.50 | 14.00 |
| 9 | EA | 8982 | SMALL STAMPED ENVELOPE | 01000 .42 * | 3.78 |
| | | | | GROSS | 80.73 |
| | | | | LESS ADJUSTMENTS | |
| | | | | LESS NON-COMM SALES | 12.78 |
| | | | | COMMISSIONABLE SALES | 67.95 |
| | | | | LESS 5.0% DISCOUNT | 3.40 |
| | | | | SUBTOTAL | 64.55 |
| | | | | ADD BACK NON-COMM SALES | 12.78 |
| | | | | PAY THIS AMOUNT | 77.33 |
| | | | | TOTAL | 77.33 |

Thank You!

** PLEASE RETURN THE REMITTANCE COPY TO ENSURE PROPER CREDIT. THANK YOU FOR YOUR BUSINESS **

* INDICATES A NON-COMMISSIONABLE ITEM

TLTOS: TLTWT: 18.06 SALESTAX SHIPPING/HANDLING

DO NOT RETURN ANY MERCHANDISE WITHOUT DUE CONSIDERATION. NO DEDUCTIONS ALLOWED WITHOUT AUTHORIZATION. THANK YOU FOR YOUR BUSINESS. ORIGINAL

Gross Total

Less Non-Commissionable Sales (Postage)

Commissionable Sales

Commission to Facility

Sales tax shown in memo field (if applicable)

T. Audits

The successful vendor agrees that the DOC, or its designee, reserves the right to audit, examine, and copy any and all books, records, electronic data and information relating to the operation of the commissary program. All records shall be maintained until the audit is completed and all questions arising thereof are resolved, or five (5) years after this contract expires or is terminated. Records shall be maintained beyond the fifth year if an audit is in progress or the findings on a completed audit have not been resolved satisfactorily.

KCN understands that the DOC, or its designee, reserves the right to audit, examine, and copy any and all books, records, electronic data and information relating to the operation of the commissary program. All records shall be maintained until the audit is completed and all questions arising thereof are resolved, or five (5) years after this contract expires or it is terminated. Records shall be maintained beyond the fifth year if an audit is in progress or the findings on a completed audit have not been resolved satisfactorily.

U. Payments

The successful vendor shall submit a monthly invoice to an employee designated by each facility. All invoices shall include:

KCN will submit a monthly invoice to an employee designated by each DE DOC facility.

1. The monthly total of what the DOC owes the vendor for sales.

The monthly invoice to be submitted to the DE DOC includes the monthly total of what the DOC owes the vendor for sales.

2. Amount of refunds credited by the vendor.

The monthly invoice to be submitted to the DE DOC includes the amount of refunds credited by KCN.

3. Amount of any noncommissioned sales.

The monthly invoice to be submitted to the DE DOC includes all noncommissioned sales.

4. Quantity and amount owed to vendor for indigent hygiene kits.

The monthly invoice to be submitted to the DE DOC includes the quantity and amount owed to the vendor for indigent hygiene kits.

5. Amount of commission owed to the Offender Commissary Account.

The monthly invoice to be submitted to the DE DOC includes the amount of commission owed to the Offender Commissary Account.

6. Vendor shall generate itemized reports or authorize DOC staff to generate itemized reports to verify the invoice submitted for payment.

*KCN does give the DOC staff the ability to generate itemized reports to verify the offender submitted for payment. Please see **Attachment "O"** for KCN's Billing Brochure which includes a sample of these reports/ invoices.*

V. Offender Accounts

The vendor is responsible for comprehensive management of the offender account as related to commissary. Prior to release, vendor will collaborate with each facility business office to verify available funds. Upon release, method of offender payments should be identified to include provisions of funds for transportation or other immediate necessities upon release (i.e., check vs. debit card). Some DOC facilities may elect to continue utilizing checks and currency to facilitate offender needs upon release. At no time will an offender account balance exceed \$500.00.

KCN understands that it will be responsible for the comprehensive management of the offender account as related to commissary. Prior to release, KCN will collaborate with each facility business office to verify available funds. Upon release, method of offender payments should be identified to include provisions of funds for transportation or other immediate necessities upon release. KCN understands that some DOC may wish to continue utilizing checks and currency to facilitate

offender needs upon release. KCN will work with these facilities accordingly. KCN's software restrictions provide the ability to cap an offender's account so that at no time will the offender's account balance exceed \$500.00.

III. Required Information

The following information shall be provided in each proposal in the order listed. Failure to respond to any request for information within this proposal may result in rejection of the proposal at the sole discretion of the State.

KCN has included all information listed below. KCN understands that its proposal may be rejected if any information requested below is not included.

A. Minimum Requirements

1. Delaware business license:

Provide evidence of a Delaware business license or evidence of an application to obtain the business license.

KCN has included its Delaware business license. Please see Attachment "M" for this license.

2. Professional liability insurance:

Provide evidence of professional liability insurance in the amount of \$1,000,000.00.

KCN has included our certificate of insurance. Please see Attachment "M" for this certificate.

3. Sale of Checks and Transmission of Money license:

In | order to be considered responsive, proposals must include either:

- A) evidence of a valid and active license as required by 5 Del. C. § 2303 and a surety bond,

OR

- B) evidence of an application to obtain the license described in 5 Del. C. § 2303, or a conditional approval as detailed in 5 Del. C. § 2308 or written notice exempting the proposing party from licensing as set forth in 5 Del. C. § 2304 from the Delaware Office of the State Bank Commissioner.

KCN CURRENTLY has a VALID and ACTIVE Money Transmitter License for the State of Delaware as required by 5 Del. C. § 2303.

KCN is also registered on the national level. KCN has filed a FinCEN Form 107.

Please see Attachment "M" for KCN's Money Transmitter Licenses.

B. General Evaluation Requirements

- Experience and Reputation

KCN has an UNMATCHED amount of experience in the commissary field today. KCN services more inmates than ALL of our competitors combined.

- Expertise (for the particular project under consideration)

KCN has had the most success transitioning large scale operations to KCN services than ALL other vendors. For proof of KCN's success stories, please contact our references.

- Capacity to meet requirements (size, financial condition, etc.).

KCN has strong financial statements (as provided in a separately sealed envelope). KCN is part of Centric Group, with a parent company of Enterprise Rent a Car.

- Location (geographical)

KCN's main distribution center for the DE DOC is located in Edison, NJ. KCN has 15 satellite warehouses containing both office and warehouse space as a backup to the Edison warehouse. Should KCN be awarded all 4 DE DOC facilities and all four facilities wish to operate off-site, KCN will open up a warehouse right in the State of Delaware for a closer proximity to the DOC facilities.

- Demonstrated ability

KCN has successfully serviced the Baylor Women's Correctional Institute during our contract period with BWCI. Please contact all of our references to speak to our ability to successfully service facilities all over the Country.

- Familiarity and Experience with government agency projects, and requirements.

Currently servicing 10 out of the 11 privatized State Department of Corrections, KCN has ample experience with government agency project and their requirements. Should the DOC have any additional unique requirements, KCN will work to comply with these specifications.

- Other criteria necessary for a quality cost-effective project.

KCN's job is to make the lives of the employees at the Delaware DOC easier and more efficient. Our technology packages and operational plans have been built to do just that. KCN will pay for all offender labor for the facilities so it does not need to come out of the commissary fund. KCN will pay for all commissary employees and not charge the DOC for any of the technology provided for the purposes of this contract. There will be no cap on any interface fees or wiring costs. KCN realizes the magnitude of this commissary transition undertaking and is eager to prove why it is the best fit commissary vendor for the State of Delaware.

Please see below for additional criteria which will assist the DOC in running a quality, cost-effective commissary operation utilizing KCN's electronic funds transmittal service, offender email program, debit card release service, MP3 program and Securepak family care package program.

Electronic Funds Transmittal:

Benefits to DE DOC:

By utilizing KCN's electronic funds transmittal the DOC can get out of handling money (cash, money orders, etc.) that inmates receive from family members. This will reduce the amount of time that your staff is currently using to count and deposit these funds. For each facility location that houses a lobby kiosk, KCN will contract both an armored car service for cash removal as well as a Delaware based technician to perform routine maintenance. The armored car service requires two people to perform the cash pickup and one person for technical assistance per kiosk. If the facility still chooses to handle the collection of the cash from these kiosks, we will provide all keys and necessary reports to your accounting staff for the cash collection and reconciliation statements.

Offender Email Program:

Benefits to DE DOC:

By utilizing KCN's offender email program, DE DOC will further reduce the workload of the mailroom staff by eliminating the need to search for contraband and easily scan letters for inappropriate content using our word watch software. By reducing the workforce needed, employees will be able to be allocated to other areas within the DOC.

The DOC will save time by using our software to monitor and highlight key words/phrases. The DOC does not have to read the entire letter.

Saves time for investigation team in data mining. Our software will automatically tell investigators of interaction with multiple offenders.

An email program will help eliminate contraband that might be received via the mail. This will help improve the security of the facility.

Debit Card Release Program:

Benefits to the DE DOC:

By utilizing KCN's debit card release program, DE DOC will reduce accounting staff dedicated to balancing checks used for release. By reducing the workforce needed, employees will be able to be allocated to other areas within the DOC.

This will help reduce the amount of cash kept on hand for offender release and the number of

checks issued which will reduce your chances of fraud. This will help the DOC get out of the banking business.

MP3 Program:

Benefits to the DE DOC:

Positive Owner Identification: The Information Screen displays the offender name and number on the Player's screen each time the device is powered on or when the menu button is held for three seconds. The Information Screen eliminates the need to etch or externally mark the property. This corrections-specific security feature reduces theft and allows correctional staff to easily manage the devices. The program significantly reduces property levels vs. other music programs. The MP3 Player has no rotating motors or moving parts that can be used to make tattoo guns. The music library can be filtered to remove any content that is explicit. The content can be further filtered by album, artist and/or song at the facility's request. There is no limit to the control that can be exercised over the content made available through this program. The music catalog is updated with newly released content on a daily basis. The program is designed to be self-service and requires virtually no interaction by facility personnel. KCN's MP3 program allows for the inmate's player to have the security features removed upon release. The inmate would need to send the player back to KCN. For a fee the inmate can have the old software removed and new software put on. KCN will then ship the player back to them. They will not lose any previously purchased music as it will all still be on the player when they receive it back. Once the player has been "unlocked" it can then function as any normal MP3 player and can be used on any computer. Songs can then be bought through any normal means (i.e. iTunes, Amazon, etc.). Any device that is stolen can be FRAUD LOCKED by contacting KCN. If a FRAUD LOCKED device is connected to the system, the facility will be notified of the time, date, and kiosk location. A device that has been fraud locked will remain unusable until the facility reports the device as recovered.

SecurePak-family/friend web-based care package ordering site:

Benefits to the DE DOC:

The DE DOC can eliminate all outside packages from coming into its facilities and can be assured that the orders are pulled from a KCN, secure warehouse with only approved items. In other states the SecurePak program has been used as an incentive program that rewards inmates for positive behavior. These programs are typically given to all inmates who are not in the restricted housing units and it has been received positively by the inmates in all states. With a transition to outsourcing commissary, this program gives the inmates a new program during the transition to assist in keeping a level climate in the facilities and a great public relations benefit to the families and friends of inmates.

KCN will offer the same commission percentages on this Securepak program for each DOC facility as we are offering on commissary sales. This is another money generating source that the facility/DOC can benefit from with a commission from all sales.

One of the biggest misconceptions concerning Securepak is that this program decreases the money flow into the offender's accounts which

are in turn used to recover any outstanding debt due to the facility.

We have a proven track record of successful Securepak programs that are currently in place in many of the regional DOC's that we currently service such as: PA DOC, VA DOC, MI DOC, OH DOC, MA DOC, and RI DOC. KCN encourages the DE DOC to reach out to these DOCs who can attest to the success of KCN's Securepak program and the increased revenue it brings to each State.

KCN does understand that the DOC reserves the right to accept or reject any of the above proposal enhancements that we are offering in this section.

C. PROPOSAL FORMAT

Each proposal must include the sections listed below. Bidders are encouraged to include as much information as necessary to clearly present the solutions and services being offered:

1. Transmittal Letter
2. Introduction
3. Summary of the Bidder's Understanding of the Project Scope
4. Description of Bidder's Proposed Services
5. Bidder's Methodology, and Approach to Delivering the Services
 - a. Initial Setup
 - b. Ongoing Commissary Processes (Orders, Delivery, etc.)
 - c. Approach to setting up technology and ongoing proposed technology features
 - d. Management Reporting and Format
 - e. Delivery schedule
6. Bidder's Project Organization and Staffing
 - a. Project Organization, Staffing, and Role(s) of Subcontractors() (as applicable)
7. Proposed Products and Pricing Structure
 - a. List of Proposed Products as related to this proposal
 - b. Proposed Pricing and Commission Structure
8. Software and Technology Features Included with Proposed Services
 - a. Proposed Software Features and Functions

- b. Hardware and Software Requirements and Platforms

9. Project Work Plan

- a. Personnel Requirements,
- b. Summary Work Schedule,
- c. Training program at each site.

10. Bidder's Background and Experience

- a. Company Background
- b. Experience in Similar Projects (Description of Past and Current Projects)
- c. Qualifications and References
- d. Company Financial Background and Stability

KCN has addressed each of the above sections of the RFP. Should the DE DOC need any additional information, KCN will be provide it.

IV. Professional Services RFP Administrative Information A. RFP Issuance

1. Obtaining Copies of the RFP

This RFP is available in electronic form only through the State of Delaware, Procurement website at www.bids.delaware.gov. Paper copies of this RFP will not be available.

KCN has obtained a copy of the RFP through the State of Delaware Procurement website. KCN understands that paper copies are not available.

2. Public Notice

Public notice has been provided in accordance with 29 Del. C. § 6981.

KCN understands that public notice has been provided.

3. Assistance to Vendors with a Disability

Vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the Designated Contact no later than ten days prior to the deadline for receipt of proposals.

KCN understands that vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process.

4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made in writing to the State of Delaware. Address all communications to the person listed below; communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor. Vendors should rely only on written statements issued by the RFP designated contact.

NAME Erika Martine-Duquette
DEPARTMENT Department of Correction
ADDRESS 245 McKee Road, Dover, DE 19904
EMAIL ADDRESS Erika.Martine@state.de.us

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

KCN has submitted a list of written questions to Ms. Erika Martine- Duquette at the Department of Correction by the designated time.

5. Consultants and Legal Counsel

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact the State's consultant or legal counsel on any matter related to the RFP.

KCN understands that the State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and vendor's responses. KCN will not contact the State's consultant or legal counsel on any matter related to this RFP.

6. Contact with State Employees

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business and such communications shall be limited to subjects relating to the normal course of business.

KCN understands that direct contact with the State of Delaware employees other than Ms. Martine-Duquette regarding this RFP is expressly prohibited without prior consent. KCN understands that vendors who directly contact State of Delaware employees risk elimination of their proposal from further consideration. KCN understands that an exception may be granted for an organization currently doing business with the DE DOC who requires contact in the normal course of doing that business and such communications will be limited to the normal course of business.

7. Organizations Ineligible to Bid

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid.

Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

KCN understands that any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. KCN understands that every business must be eligible to conduct business in the state of Delaware to be eligible to respond to this RFP.

8. Exclusions

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

- a) Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;

KCN understands that a proposal may be refused by any vendor who has been convicted for committing a criminal offense as an incident to obtain or attempt to obtain a public or private contract or subcontract or in the performance of a contract or subcontract.

- b) Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;

KCN understands that a proposal may be refused by any vendor who has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor.

- c) Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;

KCN understands that a proposal may be refused by any vendor who has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes.

- d) Has violated contract provisions such as:

- 1) Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

KCN understands that a proposal may be refused by any vendor who has violated contract provisions such as knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract.

- 2) Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;

KCN understands that a proposal may be refused by any vendor who has violated contract provisions such as failing to perform or performing in an unsatisfactory way in accordance with the terms of one of more contracts.

e) Has violated ethical standards set out in law or regulation; or

KCN understands that a proposal may be refused by any vendor who has violated ethical standards set out in law or regulation.

f) Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

KCN further understands that a proposal may be refused by any vendor for any other cause listed in the regulations of the State of Delaware determined to be serious and compelling as to affect responsibilities as a State contractor. This can include suspension or debarment by another governmental entity for a cause listed in the regulations.

B. RFP Submissions

1. Acknowledgement of Understanding of Terms

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

KCN has carefully read all sections, forms, schedules, and exhibits of this RFP. KCN has fully informed itself to all existing conditions and limitations. KCN has no exceptions to this RFP.

2. Proposals

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The State reserves the right to reject any non-responsive or non-conforming proposals. Each proposal must be submitted with seven (7) paper copies and seven (7) electronic copies on CD.

KCN understands that the State has the right to reject any non-responsive or non-conforming proposals. KCN has submitted each proposal in the form of seven paper copies and 7 electronic copies. The original copy is properly marked "ORIGINAL".

All properly sealed and marked proposals are to be sent to the State of Delaware and received no later than 2:00 PM EDT on November 13, 2012. The proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), US Mail, or by hand to:

DEPARTMENT Department of Correction
ADDRESS 245 McKee Road, Dover, DE 19904
Attn: Purchasing Services Administrator

KCN has submitted its proposal to the Department of Correction by November 13th, 2012 at 2:00pm.

Any proposal submitted by US Mail shall be sent by either certified or registered mail. Proposals must be received at the above address no later than **2:00 PM** on **November 13, 2012**. Any proposal received after this date and time shall not be considered and shall be returned unopened. The proposing vendor bears the risk of delays in delivery. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

KCN has submitted its Response to Request for Proposals by the due date listed above. KCN understands that any proposal received after this date and time shall not be considered and shall be returned unopened. KCN further understands that each vendor bears the risk of delays in delivery and that the contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

KCN is thoroughly familiar with all specifications and requirements of this RFP. KCN understands that the failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

3. Proposal Modifications

Any changes, amendments or modifications to a proposal must be made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. Changes, amendments or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

KCN understands that any changes, amendments, or modifications to a proposal response must be made in writing and submitted in the same manner as the original response. This must be conspicuously labeled as a change to a previously submitted proposal. KCN understands that all changes to proposal will not be accepted after the official deadline for submission of proposals.

4. Proposal Costs and Expenses

The State of Delaware will not pay any costs incurred by any vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor's conference, system demonstrations or negotiation process.

KCN understands that the State of Delaware will not pay any costs incurred by any vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor's conference, system demonstrations or negotiation process.

5. Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through the initial contract period. The State of Delaware reserves the right to ask for an extension of time if needed.

KCN understands that price quoted in the proposal shall remain fixed and binding on KCN at least through the initial contract period. KCN understands that the State of Delaware reserves the right to ask for an extension of time if needed.

6. Late Proposals

Proposals received after the specified date and time will not be accepted or considered. To guard against premature opening, sealed proposals shall be submitted, plainly marked with the proposal title, vendor name, and time and date of the proposal opening. Evaluation of the proposals is expected to begin shortly after the proposal due date. To document compliance with the deadline, the proposal will be date and time stamped upon receipt.

KCN understands that all proposals received after the specified deadline will not be accepted. KCN's proposal has been submitted in a proper fashion, labeled with the title, vendor name, as well as the date and time of proposal opening. KCN understands that evaluation of proposals will begin shortly after the proposal due date and that proposal will be time-stamped upon receipt.

7. Proposal Opening

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to Vendor. There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed to competing vendors prior to contract award.

KCN understands that the State of Delaware will receive proposals under the deadline shown in this RFP. KCN further understands that there will be no public opening; however a public log will be kept of vendor who submitted a bid response. All proposals will be kept confidential from competing vendors prior to contract award.

8. Non-Conforming Proposals

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware.

KCN understands that all non-conforming proposals or those that do not meet the requirements of this RFP will not be considered. KCN understands that the determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware.

9. Concise Proposals

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to

present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

KCN understands that the State of Delaware discourages lengthy and costly proposals, and encourages proposals that present a complete and effective message.

10. Realistic Proposals

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable. The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

KCN understands that the State of Delaware expects all proposals to be realistic, fully satisfying all obligations, and provide accurate representations of time, materials and other costs with regard to this RFP. KCN also understands that the State of Delaware shall not be responsible for a vendor's failure to accurate estimate costs and resources needed to fulfill the obligations of the RFP.

11. Confidentiality of Documents

All documents submitted as part of the vendor's proposal will be deemed confidential during the evaluation process. Vendor proposals will not be available for review by anyone other than the State of Delaware/Proposal Evaluation Team or its designated agents.

The State of Delaware is a public agency as defined by state law, and as such, it is subject to the Delaware Freedom of Information Act, 29 *Del. C.* Ch. 100. Under the law, all the State of Delaware's records are public records (unless otherwise declared by law to be confidential) and are subject to inspection and copying by any person. Vendor(s) are advised that once a proposal is received by the State of Delaware and a decision on contract award is made, its contents will become public record and nothing contained in the proposal will be deemed to be confidential except proprietary information.

Vendor(s) shall not include any information in their proposal that is proprietary in nature or that they would not want to be released to the public. Proposals must contain sufficient information to be evaluated and a contract written without reference to any proprietary information. If a vendor feels that they cannot submit their proposal without including proprietary information, they must adhere to the following procedure or their proposal may be deemed unresponsive and will not be recommended for selection. Further, a failure to follow the procedure set forth in this paragraph shall be considered a waiver of any privilege or confidentiality associated with the content of a vendor's proposal. Vendor(s) must submit such information in a separate, sealed envelope labeled "Proprietary Information" with the RFP number. The envelope must contain a letter from the Vendor's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not "public record" as defined by 29 *Del. C.* § 10002(d), and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State of Delaware will open the envelope to determine whether the procedure described above has been followed. In the event of a Freedom of Information Act request for a vendor's proposal, DOC will advise the vendor of its determination as to whether information designated as proprietary will be withheld from production prior to any such production.

KCN understands that all proposals will be deemed as confidential during the RFP evaluation process. KCN understands that after the evaluation process, KCN and all other vendor's proposals will become public record.

KCN will submit a separately sealed envelope representing what information is not considered a "public record" to comply with Freedom of Information Act requests.

12. Multi-Vendor Solutions (Joint Ventures)

Multi-vendor solutions (joint ventures) will be allowed only if one of the venture partners is designated as the **"prime contractor"**. The **"prime contractor"** must be the joint venture's contact point for the State of Delaware and be responsible for the joint venture's performance under the contract, including all project management, legal and financial responsibility for the implementation of all vendor's systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the work. Further, vendor shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor or its sub-subcontractor.

KCN understands that responses to this RFP may be submitted using a multi-vendor solution, in which one vendor is considered the "prime contractor". KCN will not be submitting a proposal that would fall under this criterion.

Multi-vendor proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

KCN understands that proposals submitted this way must include a consolidated cost and cost summary. KCN will not be responding to this commissary RFP using a Multi-Vendor solution.

a. Primary Vendor

The State of Delaware expects to negotiate and contract with only one "prime vendor". The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from vendors who are co-bidding on this RFP. The prime vendor will be responsible for the management of all subcontractors.

KCN understands that the State of Delaware will only negotiate with one other "prime vendor". KCN is not co-bidding this RFP with any other vendor.

Any contract that may result from this RFP shall specify that the prime vendor is solely responsible for fulfillment of any contract with the State as a result of this procurement. The State will make contract payments only to the awarded vendor. Payments to any subcontractors are the sole responsibility of the prime vendor (awarded vendor).

KCN understands that the prime vendor is ultimately responsible for the fulfillment of any contract with the State as a result of the RFP process. The awarded vendor will be the only vendor to receive payments.

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options under Section IV.B.16 regarding multiple source contracting.

KCN understands that this section does not prohibit the State of Delaware from exercising all of its options regarding multiple source contracting.

b. Sub-Contracting

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

KCN understands that it will be solely responsible for the performance of any subcontractors it utilizes.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. **The prime vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.** Any sub-contractors must be approved by State of Delaware.

Should the DE DOC wish to utilize the package program option in which Wishes from Home will be used. Please see [page 182](#) for more information on the services offered by Wishes from Home.

KCN fully understands that it, as the prime vendor, shall be wholly responsible for the entire contract performance whether or not subcontractors are utilized.

KCN further understands that all subcontractors need to be approved by the state of Delaware. Please see [Attachment "E"](#) for Wishes from Home's Delaware Business Registration License.

c. Multiple Proposals A primary vendor may not participate in more than one proposal in any form. Sub-contracting vendors may participate in multiple joint venture proposals.

KCN will not participate in more than one proposal with regard to this commissary RFP.

13. Sub-Contracting

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor. Use of subcontractors must be clearly explained in the proposal, and

subcontractors must be identified by name. Any sub-contractors must be approved by State of Delaware.

*KCN understands that it shall be solely responsible for the contractual performance and management of all subcontractors utilized for the purposes of this RFP. KCN has explained its business relationship with its only subcontractor should the DE DOC wish to utilize an inmate package program, Wishes from Home on **page 182** of this proposal response.*

14. Discrepancies and Omissions – Pre-Submission Protest Available; Waiver

Vendor is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of vendor. Should vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions of any kind arise concerning this RFP, vendor shall notify the State of Delaware's Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of vendor's proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

KCN is responsible for the accuracy of all information in this proposal response. KCN does not take any exception to the parameters of this RFP and does not find any ambiguous intent to be present.

A Vendor's failure to advise DOC in writing of perceived discrepancies, omissions, unclear or ambiguous intent or meaning, legal error or any other basis that might render this procurement process or the resulting contract unenforceable as set forth in this RFP shall be considered a waiver of any and all objections by the Vendor and shall constitute a self-executing agreement to hold DOC harmless as a result of any such waiver.

KCN does not take any exception to this RFP or find any information to be difficult to understand.

Protests based on any omission or error, or in relation to any portion of the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Designated Contact, in writing, within ten (10) calendar days prior to the time set for opening of the proposals.

KCN understands that any protests based on error or concerning the content of the RFP, will be refused if the issue is not forwarded to the Designated Contact, Ms. Martine- Duquette within ten calendar days prior to the bid opening date and time.

a. RFP Question and Answer Process

The State of Delaware will allow written requests for clarification of the RFP. All questions will be consolidated into a single set of responses and posted on the State's website at bids.delaware.gov by 4:00 PM on October 26, 2012. Vendors' names will be removed from questions in the responses released. Questions should be submitted in the following format. Deviations from this format will not be accepted.

- Section number
- Paragraph number

- Page number
- Text of passage being questioned
- Question

Questions not submitted electronically shall be accompanied by a CD and questions shall be formatted in Microsoft Word.

KCN has submitted all questions related to this RFP by the above mentioned due date, October 26th, 2012. KCN has followed all formatting listed above.

15. Post-Submission Protest Available; Waiver

DOC will advise each proposing party within 2 days of the award of a contract to one or more of the proposing parties. Protests after the contract has been awarded can be submitted to DOC_Purchasing_Mailbox@state.de.us and must include thorough explanation(s) for the basis of same. Post-Submission protests must be submitted as set forth herein no later than 10 days from the date upon which the vendor was notified of a contract award. Filing a protest will not necessarily interrupt a contract from being executed however such a remedy may be requested in any post-submission protest letter. Post-submission protest letters which lack reasonable specificity as to facts, sections of the RFP, applicable statutes, and applicable legal principles shall be rejected and DOC shall consider such protests void *ab initio*. The failure to exhaust all administrative remedies available to the vendor shall be considered by DOC in the event of any litigation relating to this RFP or the award of any contract contemplated by this RFP. Any vendor who fails to raise an objection or protest based upon subject matter that could have been raised in a pre-submission protest shall be deemed to have waived and voluntarily abandoned any such basis for said protest. The Department will review the protest letter with appropriate Bureau Chief, Bureau Chief of Management Services and Counsel, and provide a written response within thirty (30) calendar days.

KCN understands that all protests to an awarded contract must be submitted within 10 days of notification of an awarded contract.

16. State's Right to Reject Proposals

The State of Delaware reserves the right to accept or reject any or all proposals or any part of any proposal, to waive defects, technicalities or any specifications (whether they be in the State of Delaware's specifications or vendor's response), to sit and act as sole judge of the merit and qualifications of each product offered, or to solicit new proposals on the same project or on a modified project which may include portions of the originally proposed project as the State of Delaware may deem necessary in the best interest of the State of Delaware.

KCN understands that the State of Delaware has the right to act as the judge of proposals or any products described in the proposals. KCN further understands that an additional request for proposals with a modified project or section may be requested by the State of Delaware.

17. State's Right to Cancel Solicitation

The State of Delaware reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The State of Delaware makes no commitments expressed or implied, that this process will result in a business transaction with any vendor.

KCN understands that this solicitation may be canceled at any time and that a response does not guarantee a definite business arrangement.

This RFP does not constitute an offer by the State of Delaware. Vendor's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

KCN understands that the State of Delaware may not necessarily award a contract from this RFP solicitation and that negotiations may be ceased at any time without warning.

18. State's Right to Award Multiple Source Contracting

Pursuant to 29 Del. C. § 6986, the State of Delaware may award a contract for a particular professional service to two or more vendors if the agency head makes a determination that such an award is in the best interest of the State of Delaware.

KCN understands that two or more vendors can be awarded this contract if the State of Delaware feels this is the best course of action.

19. Notification of Withdrawal of Proposal

Vendor may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be resubmitted in accordance with the proposal due date in order to be considered further.

KCN understands that a proposal may be withdrawn or resubmitted as long as it is before the due date.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

KCN further understands that all proposals become the property of the State of Delaware after the proposal due date.

20. Revisions to the RFP

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware's website at bids.delaware.gov. The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

KCN understands that all addenda can be found on the website, bids.delaware.gov. KCN understands that the State of Delaware is not bound by any employee, contractor, or its agents.

21. Exceptions to the RFP

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be highlighted and included in writing in the proposal. Acceptance of exceptions is within the sole discretion of the evaluation committee.

*KCN understands that any and all exceptions to the RFP must be highlighted in the proposal. KCN however **does not take any exceptions to the RFP**, so it has not highlighted any part of this proposal.*

22. Award of Contract

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP. Notice in writing to a vendor of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract. No vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

KCN understands that the State of Delaware has the right to award a contract to the vendor it best feels will fulfill the needs of the State. KCN also understands that no vendor may acquire legal action until a full execution of a written contract takes place.

a. RFP Award Notifications

After reviews of the evaluation committee report and its recommendation, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract. The contract shall be awarded to the vendor whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP.

KCN understands that the State of Delaware will award the contract to the most advantageous proposal.

It should be explicitly noted that the State of Delaware is not obligated to award the contract to the vendor who submits the lowest bid or the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

KCN understands that the State of Delaware may not necessarily award this contract to the bidder with the lowest pricing and highest total point score.

After a final selection is made, the winning vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status.

KCN understands negotiations will take place between the State of Delaware and the winning vendor.

C. RFP Evaluation Process

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of quantitative criteria. **Neither the lowest price nor highest scoring proposal will necessarily be selected.**

The State of Delaware reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in a timely manner any and all information that the State of Delaware may deem necessary to make a decision.

KCN understands that the selection of the vendors is solely based on the judgment of the evaluation team for the best interest of the State.

1. Proposal Evaluation Team

The Proposal Evaluation Team shall be comprised of representatives of the State of Delaware. The Team shall determine which vendors meet the minimum requirements pursuant to selection criteria of the RFP and procedures established in 29 Del. C. §§ 6981 and 6982. The Team may negotiate with one or more vendors during the same period and may, at its discretion, terminate negotiations with any or all vendors. The Team shall make a recommendation regarding the award to the Bureau Chief, Management Services, who shall have final authority, subject to the provisions of this RFP and 29 Del. C. § 6982, to award a contract to the successful vendor in the best interests of the State of Delaware.

KCN understands the Proposal Evaluation Team will make a recommendation and present it to the Bureau Chief, Management Services, and all others concerned to award a contract to the vendor of their choosing.

2. Proposal Selection Criteria

The Proposal Evaluation Team shall assign up to the maximum number of points for each Evaluation Item to each of the proposing vendor's proposals. All assignments of points shall be at the sole discretion of the Proposal Evaluation Team.

KCN understands that all points given during grading will be at the judgment of the Proposal Evaluation Team.

The proposals all contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the Team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the Proposal Evaluation Team's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the Team.

KCN has paid careful consideration to following all instructions of this proposal and meeting all requirements. Should the DE DOC require any additional information, KCN can certainly supply it.

The Team reserves the right to:

- Select for contract or for negotiations a proposal other than that with lowest costs.
- Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or issue a new RFP.
- Waive or modify any information, irregularity, or inconsistency in proposals received.
- Request modification to proposals from any or all vendors during the contract review and negotiation.
- Negotiate any aspect of the proposal with any vendor and negotiate with more than one vendor at the same time. Select more than one vendor pursuant to 29 Del. C. §6986. Such selection will be based on the following criteria:

KCN understands all of the rights of the Proposal Evaluation Team.

a. Criteria Weight

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the Evaluation Team to evaluate proposals:

| Criteria | Weight |
|--|--------|
| Background, staff and financial resources, industry reputation, and references. | 25 |
| Experience in providing services of comparable specifications/scope and value. | 20 |
| Availability and capabilities of offender Account/Commissary software and technology solutions/options, such as kiosks, etc. | 15 |
| Timing and structure of proposed delivery. | 10 |

| | |
|--|-------------|
| Approach to performing the tasks set forth in Scope of the Work. Thoroughness and completeness of the proposal relative to the requirements. | 10 |
| Management reports and reporting requirements. | 10 |
| Pricing structure | 10 |
| Total | 100% |

KCN understands the above mentioned criteria that will help the proposal evaluation team in its grading process.

3. Proposal Clarification

The Evaluation Team may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

KCN will be more than happy to entertain any uncertainties the Evaluation Team has concerning this proposal response.

4. References

The Evaluation Team may contact any customer of the vendor, whether or not included in the vendor's reference list, and use such information in the evaluation process. Additionally, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

KCN understands and encourages the Evaluation Team to visit/ contact any current KCN customers. Our customers are the truest testimonial of our upstanding service levels.

Please see Attachment "P" for a complete list of KCN's customers throughout the Country. We also encourage the selection committee to visit our Edison, NJ warehouse to view the operation which will be used for processing all orders.

D. Contract Terms and Conditions

1. General Information

- a. The term of the contract between the successful bidder and the State shall be for three (3) years. Each contract may be renewed for two (2) additional one (1) year periods through negotiation between the contractor and Department of Correction. Negotiation must be initiated no later than ninety (90) days prior to the termination of the current agreement.

KCN understands the contract term shall be three years with two one year renewals.

- b. The selected vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Vendors will be required to sign the contract for all services, and may be required to sign additional agreements.

KCN understands that a signed contract must exist between the State and the vendor and should there be any additional services, additional agreements will have to be signed as well.

- c. The selected vendor or vendors will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in accordance with subsequent contracted agreement. This RFP and the selected vendor's response to this RFP will be incorporated as part of any formal contract.

KCN understands that this response will be part of a formal contract.

- d. The State of Delaware's standard contract will most likely be supplemented with the vendor's software license, support/maintenance, source code escrow agreements, and any other applicable agreements. The terms and conditions of these agreements will be negotiated with the finalist during actual contract negotiations.

KCN has read and understands.

- e. The successful vendor shall promptly execute a contract incorporating the terms of this RFP within twenty (20) days after award of the contract.

Should KCN be awarded the contract, it will execute a contract within twenty days after award of contract.

- f. If the vendor to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another vendor. Such vendor shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.

KCN understands that the awarded vendor must fulfill every requirement of the contract.

2. Collusion or Fraud

Any evidence of agreement or collusion among vendor(s) and prospective vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such vendor(s) void.

KCN will not perform any type of collusion.

By responding, the vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing vendor submitting a separate

response to this RFP, and is in all respects fair and without collusion or fraud; that the vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the vendor's proposal preparation.

KCN has no connection to any other vendor, employee, or official of the State of Delaware that would tamper with the results of the RFP process.

Advance knowledge of information which gives any particular vendor advantages over any other interested vendor(s), in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

KCN understands that any proposal that has an unfair advantage over any other vendor has the potential to have their proposal voided.

3. Lobbying and Gratuities

Lobbying or providing gratuities shall be strictly prohibited. Vendors found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

KCN has cannot and will not lobby or provide gratuities to try to influence Delaware employees.

The selected vendor will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

KCN has not and will not breach the aforementioned warranty with regards to soliciting people or selling agencies to secure a commissary contract.

All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

KCN will not contact any State of Delaware employees, contractors or agents concerning this RFP unless it is through the designated RFP contact.

4. Solicitation of State Employees

Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with vendor, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

KCN has not and will not solicit any State of Delaware employee for a new job opportunity with Keefe Group.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

KCN understands that if the State of Delaware employee initiates contact with KCN, the previous paragraph is null and void.

5. General Contract Terms

a. Independent contractors

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause this agreement to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party, or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes. It may be at the State of Delaware's discretion as to the location of work for the contractual support personnel during the project period. The State of Delaware shall provide working space and sufficient supplies and material to augment the Contractor's services.

KCN understands that it will serve as an independent contractor if awarded this contract and will comply with all terms in the above paragraph.

b. Non-Appropriation

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.

KCN understands that the State may terminate this contract should it not appropriate the necessary funds to continue the terms of the contract.

c. Licenses and Permits

In performance of the contract, the vendor will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The vendor shall not rely on this RFP as the State's final expression of the licenses required of the vendors. The risk of compliance with State and Federal law shall rest solely with the vendor. The cost of permits and

other relevant costs required in the performance of the contract shall be borne by the successful vendor. The vendor shall be properly licensed and authorized to transact business in the State of Delaware as provided in 30 Del. C. § 2502.

KCN is registered and legally able to transact business in the State of Delaware. Please see Attachment “M” for KCN’s Delaware business license.

Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577- 8205—Licensing Department.

Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of a Sale of Checks and Transmission of Money license from the Delaware Office of the State Bank Commissioner, or proof of initiation of the process of application where required. An application may be requested in writing to: Delaware Bank Commissioner, 555 E. Loockerman Street, Suite 210, Dover, DE 19901, or by telephone: (302) 739- 4235.

KCN possesses both a Delaware Business Registration and a Sales of Check and Transmission of Money license from the State of Delaware. Please see Attachment “M” for these documents.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

If awarded, KCN will comply with all State of Delaware licensing requirements.

d. Notice

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

| | |
|-------------------|--|
| DEPARTMENT | Department of Correction |
| ADDRESS | 245 McKee Road, Dover, DE 19904 |
| | Purchasing Services Administrator EMAIL ADDRESS |
| | Erika.Martine@state.de.us |

KCN has noted that any notice from the State of Delaware regarding this contract shall be sent to the attention of Ms. Martine- Duquette at the above address.

e. Indemnification

1. General Indemnification

By submitting a proposal, the proposing vendor agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney’s fees, arising out of the vendor’s its agents and employees’ performance work or services in connection with the contract, regardless of whether

such suits, actions, claims or liabilities are based upon acts or failures to act attributable, whole or part, to the State, its employees or agents.

If awarded the contract, KCN will hold harmless the State of Delaware and those involved for any and all attorney's fees shall the need for an attorney arise.

2. Proprietary Rights Indemnification

Vendor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the vendor in writing and vendor shall defend such claim, suit or action at vendor's expense, and vendor shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

KCN has not violated any patents, copyrights, trade secrets, or proprietary rights of any other agency while responding to this RFP. KCN indemnifies the State of Delaware against any loss, cost, damage, expense or liability arising out of a claim of violation of this agreement.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the vendor (collectively "Products") is or in vendor's reasonable judgment is likely to be, held to constitute an infringing product, vendor shall at its expense and option either:

- (a) Procure the right for the State of Delaware to continue using the Product(s);
- (b) Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- (c) Modify the Product(s) to make it or them non- infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of the Contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

Should any part of KCN's products constitute an infringing product, KCN will follow the three options listed above as a remedy.

f. Insurance

1. Vendor recognizes that it is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the vendor's negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the vendor in their negligent performance under this contract.

KCN is aware that it is operating as an independent contractor, and is liable for any repercussions for any injury or persons or property due to negligent performance under this contract.

2. The vendor shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The vendor is an independent contractor and is not an employee of the State of Delaware.

KCN maintains Worker's Compensation Insurance. Please see Attachment "M" for KCN's insurance documents.

3. During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:

| | | |
|---|--|-----------------------------|
| a | Comprehensive General Liability | \$1,000,000 |
| b | Professional Liability/Misc. Error & Omissions/Product Liability | \$1,000,000/ \$3,000,000 |

KCN maintains Comprehensive General Liability insurance as well as Professional Liability insurance. Please see Attachment "M" for this information.

If the contractual service requires the transportation of departmental clients or staff, the vendor shall, in addition to the above coverage's, secure at its own expense the following coverage:

| | | |
|---|--|-------------------------|
| a | Automotive Liability (Bodily Injury) | \$100,000/ \$300,000 |
| b | Automotive Property Damage (to others) | \$25,000 |

KCN will adhere to the aforementioned insurance coverage.

4. The vendor shall provide a certificate of insurance as proof that the vendor has the required insurance.

KCN has provided the necessary certificate of insurance as proof of required insurance. Please see Attachment "M" for KCN's proof of insurance.

g. Performance Requirements

The selected vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

When completing work for this contract, KCN will comply will all Federal and State law, County and local ordinances, regulations, and codes.

h. Warranty

The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of complete system acceptance. The warranty shall require the Vendor correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

KCN will provide a one year warranty to the Delaware DOC.

i. Costs and Payment Schedules

All contract costs must be detailed specifically in the Vendor's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected vendor is required to pay.

All hardware and services will come at no cost to the DE DOC.

The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

KCN understands that the DOC will not pay for any work that has not been completed.

j. Penalties

The State of Delaware may include in the final contract penalty provisions for non-performance, such as liquidated damages.

KCN understands that the State of Delaware may add penalty provisions for non-performance to the final contract.

k. Termination for Cause

If for any reasons, or through any cause, the Vendor fails to fulfill in timely and proper manner his obligations under the contract, or if the Vendor violates any of the covenants, agreements or stipulations of the contract, the State of Delaware shall thereupon have the right to terminate the contract by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least thirty (30)

days before the effective date of such termination, In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other material prepared by the Vendor under the contract shall, at the option of the State of Delaware, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is useable to the State of Delaware.

KCN understands that if it does not fulfill its obligations under a resulting contract in a timely and proper manner, the State of Delaware has the right to terminate the contract.

I. Termination for Convenience

The State of Delaware may terminate the contract at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other material prepared by the Vendor under the contract shall, at the option of the State of Delaware, become its property, and the Vendor shall be entitled to compensation for any satisfactory work completed on such documents and other materials which is useable to the State of Delaware. If the contract is terminated by the State of Delaware as so provided, the Vendor will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Vendor as covered by the contract, less payments of compensation previously made. Provided however, that if less than 60 percent of the services covered by the contract have been performed upon the effective date of termination, the Vendor shall be reimbursed (in addition to the above payment) for that portion of actual out of pocket expenses (not otherwise reimbursed under the contract) incurred by the Vendor during the contract period which are directly attributable to the uncompleted portion of the services covered by the contract.

KCN understands that the State of Delaware can terminate a contract by giving the successful vendor sixty days' notice.

m. Non-discrimination

In performing the services subject to this RFP the vendor will agree that it will not discriminate against any employee or applicant for employment because of race, creed, color, sex or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.

KCN agrees to not discriminate against any employee or applicant based on race, creed, color, sex, or national origin.

n. Covenant against Contingent Fees

The successful vendor will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its

discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

Should KCN be the awarded vendor, KCN will ensure that no person or selling agency has been employed or retained to solicit or secure the contract using contingent fees.

o. Vendor Activity

No activity is to be executed in an off shore facility, either by a subcontracted firm or a foreign office or division of the vendor. The vendor must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

KCN will not conduct any activity outside of the United States. KCN has adhered to this requirement in our transmittal letter.

p. Work Product

All materials and products developed under the executed contract by the vendor are the sole and exclusive property of the State. The vendor will seek written permission to use any product created under the contract.

KCN understands that the materials and products developed under the contract by KCN will be the property of the State of Delaware .

q. Contract Documents

The RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful vendor shall constitute the contract between the State of Delaware and the vendor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, Vendor's response to the RFP and purchase order. No other documents shall be considered. These documents will constitute the entire agreement between the State of Delaware and the vendor.

KCN understands that the order for precedent of documents is as follows: contract, RFP, KCN's response to RFP, and purchase order.

r. Applicable Law

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful vendor consents to jurisdiction and venue in the State of Delaware.

KCN understands that the laws for the State of Delaware shall prevail, with the exception of cases where Federal Law is present.

In submitting a proposal, Vendors certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

- (1) The laws of the State of Delaware;
- (2) The applicable portion of the Federal Civil Rights Act of 1964;
- (3) The Equal Employment Opportunity Act and the regulations issued there under by the federal government;

- (4) A condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- (5) That programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

KCN understands all laws and obligations listed above.

If any vendor fails to comply with (1) through (5) of this paragraph, the State of Delaware **reserves the right** to disregard the proposal, terminate the contract, or consider the vendor in default. The selected vendor shall keep self fully informed of and shall observe and comply with all applicable existing Federal and State laws and County and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

KCN understands that the State of Delaware has the right to disregard a vendor's proposal for not following any of the aforementioned five activities and obligations.

s. Scope of Agreement

If the scope of any provision of the contract is determined to be too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the contract shall not thereby fail, but the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

KCN understands that all provisions of the RFP will be exercised to its full extent.

t Other General Conditions

- (1) **Current Version** – “Packaged” application and system software shall be the most current version generally available as of the date of the physical installation of the software.

KCN's proposed software will be the most current version available.

- (2) **Current Manufacture** – Equipment specified and/or furnished under this specification shall be standard products of manufacturers regularly engaged in the production of such equipment and shall be the manufacturer's latest design. All material and equipment offered shall be new and unused.

KCN will be providing its latest design for all equipment offered to the facilities of the Delaware Department of Corrections.

- (3) **Volumes and Quantities** – Activity volume estimates and other quantities have been reviewed for accuracy; however, they may be subject to change prior or subsequent to award of the contract.

KCN understands that volume estimates may be subject to change prior to award of contract.

- (4) **Prior Use** – The State of Delaware reserves the right to use equipment and material furnished under this proposal prior to final acceptance. Such use shall not constitute acceptance of the work or any part thereof by the State of Delaware.

KCN understands that the State may use equipment and material in accordance to this proposal before final acceptance.

- (5) **Status Reporting** – The selected vendor will be required to lead and/or participate in status meetings and submit status reports covering such items as progress of work being performed, milestones attained, resources expended, problems encountered and corrective action taken, until final system acceptance.

KCN's project leads will be in constant contact with the DOC and will provide periodic updates on our progress of our implementation and transitional plans.

During the most recent DOC implementation, Maine DOC, KCN provided a weekly conference call between all pertinent parties in which updates were given on the execution of our implementation and transitional plans. We can mimic this same scenario to the DE DOC in the event KCN is awarded this contract.

- (6) **Regulations** – All equipment, software and services must meet all applicable local, State and Federal regulations in effect on the date of the contract.

KCN understands that all equipment, software and services must meet all applicable local, State and Federal regulations from the start date of the contract.

- (7) **Changes** – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the State of Delaware.

No changes to any terms, conditions, delivery, price, quality or specifications of items can occur without the written consent of the State of Delaware.

- (8) **Additional Terms and Conditions** – The State of Delaware reserves the right to add terms and conditions during the contract negotiations.

KCN understands that the State of Delaware reserves the right to add additional terms and conditions during the contract negotiations.

E. RFP Miscellaneous Information

1. No Press Releases or Public Disclosure

Vendors may not release any information about this RFP. The State of Delaware reserves the right to pre-approve any news or advertising releases concerning this RFP, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this RFP or resulting contract shall require the prior express written permission of the State of Delaware.

KCN understands that express written permission must be given by the State of Delaware before any news or advertising releases are released concerning this RFP or awarded contract.

2. RFP Reference Library

The State of Delaware has made every attempt to provide the necessary information within this RFP. The State of Delaware will make the reference library available only to the winning bidder.

KCN understands that the State of Delaware will make the reference library available only to the winning bidder.

3. Definitions of Requirements

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

KCN understands the definitions of the words “shall” and “must” as mandatory. KCN has responded to all mandatory requirements of this RFP.

4. Production Environment Requirements

The State of Delaware requires that all hardware, system software, and application software products included in proposals be currently in use in a production environment by at least three other customers, have been in use for at least six months, and have been generally available from the manufacturers for a period of six months. Unreleased or beta test hardware, system software, or application software will not be acceptable.

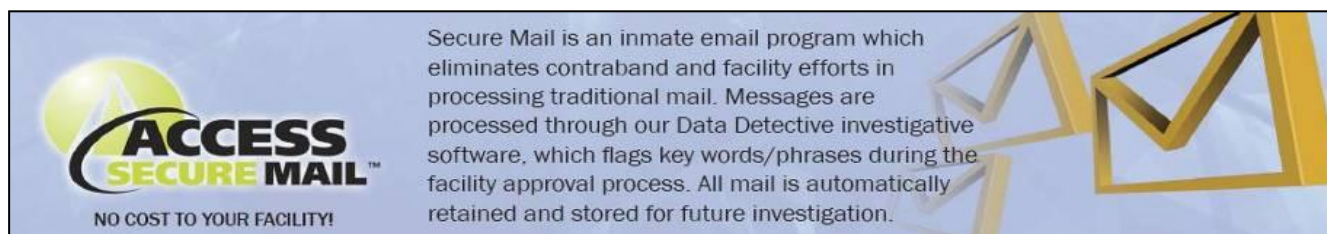
KCN understands that all hardware, system software, and application software included in this proposal must be currently in use at least three other customers, for six months and have been available for over six months before implementing any of these services at the DE DOC facilities.

Proposal Enhancements

The following technology enhancements are available to any Delaware Department of Corrections Facility.

Access Secure Mail:

This feature is available at NO COST to the DOC



The image shows a banner for 'ACCESS SECURE MAIL'. On the left is a logo with a yellow sun-like circle and the text 'ACCESS SECURE MAIL' in bold, with 'NO COST TO YOUR FACILITY!' underneath. On the right, there is a 3D illustration of several yellow envelopes. Between the logo and the envelopes, the following text is written: 'Secure Mail is an inmate email program which eliminates contraband and facility efforts in processing traditional mail. Messages are processed through our Data Detective investigative software, which flags key words/phrases during the facility approval process. All mail is automatically retained and stored for future investigation.'

KCN's Secure Mail service allows the Customer to log into our secure website www.accesscorrections.com and create a membership. Similar to a Yahoo or Hotmail account, the membership is free to the Customer. Once membership is established, the Customer is able to log-in using our secure website and view their individual mailbox which includes all received messages and archived sent messages. See below for a sample screen shot of the KCN website.

When a customer is logged in to our secure website, they can edit their profile and account information. The secure website is available in both English and Spanish. Users can select English or Spanish by clicking the language they want in the upper right corner of the webpage. They will also have the option to select if they would like to be notified when receiving a message and if they would like to be notified if one of their messages is rejected.

Once a customer has their account set up, they can then purchase message plans, which provide discounted message and/or photo credits, or individual credits to allow them to send messages/photos to the inmate. Customers are able to purchase credits with a Visa or MasterCard credit or debit card. Message credits will be stored on the Customer's profile allowing them access to their remaining balance every time they log-in. Customers will be able to access their inbox and have the ability to purchase message plans 24/7/365. All messages can be paid for by the friend/family of the offender. The friend/family sending the message will also have the option of letting the offender send them a reply.

After the customer has purchased credits and is ready to send a message, they will then need to add the recipient to their "My Recipients" list. The customer can find the recipient in three easy steps:

- Step 1: Select a State*
- Step 2: Select a Facility*
- Step 3: Search for Offender*

Once the recipient has been added, the customer can then compose and send them a message.

Messages can only be composed using plain text. There is no option for font or color changes (i.e. no bolding, no highlight, no italicizing, no special characters, etc.). This prevents any secret messages being hidden within the message.

Customers also have the option of typing their message in English or Spanish. If they choose to write their message in Spanish, when the message is viewed in the Review Messages queue on the Facility website a translation of the message will be displayed along with the original message.

Word Watch Filter Software

Sent messages will pass through our Word Watch filter software that will scan each message for words or phrases that are predefined by each facility. KCN has a complete database of pre-existing words and phrases that we will provide to the facility. However, our Word Watch software is completely customizable by each facility allowing them to enter words and phrases that are specific to their offender population. Authorized staff is able to add or remove specific words and phrases as deemed necessary as well as change point levels they wish to assign to certain words. Once the Word Watch scan is complete, each message is scored and displayed using a stop light tree system making it very easy for staff to see what messages they need to focus on:

GREEN = no words or phrases found
YELLOW = some words and phrases found
RED = significant number of words and phrases found

By utilizing KCN's offender email program, DE DOC will further reduce the workload of the mailroom staff by eliminating the need to search for contraband and easily scan letters for inappropriate content using our word watch software. By reducing the workforce needed, employees will be able to be allocated to other areas within the DOC.

The DOC will save time by using our software to monitor and highlight key words/phrases. The DOC does not have to read the entire letter.

Saves time for investigation team in data mining. Our software will automatically tell investigators of interaction with multiple offenders.

An email program will help eliminate contraband that might be received via the mail. This will help improve the security of the facility.

Data Detective

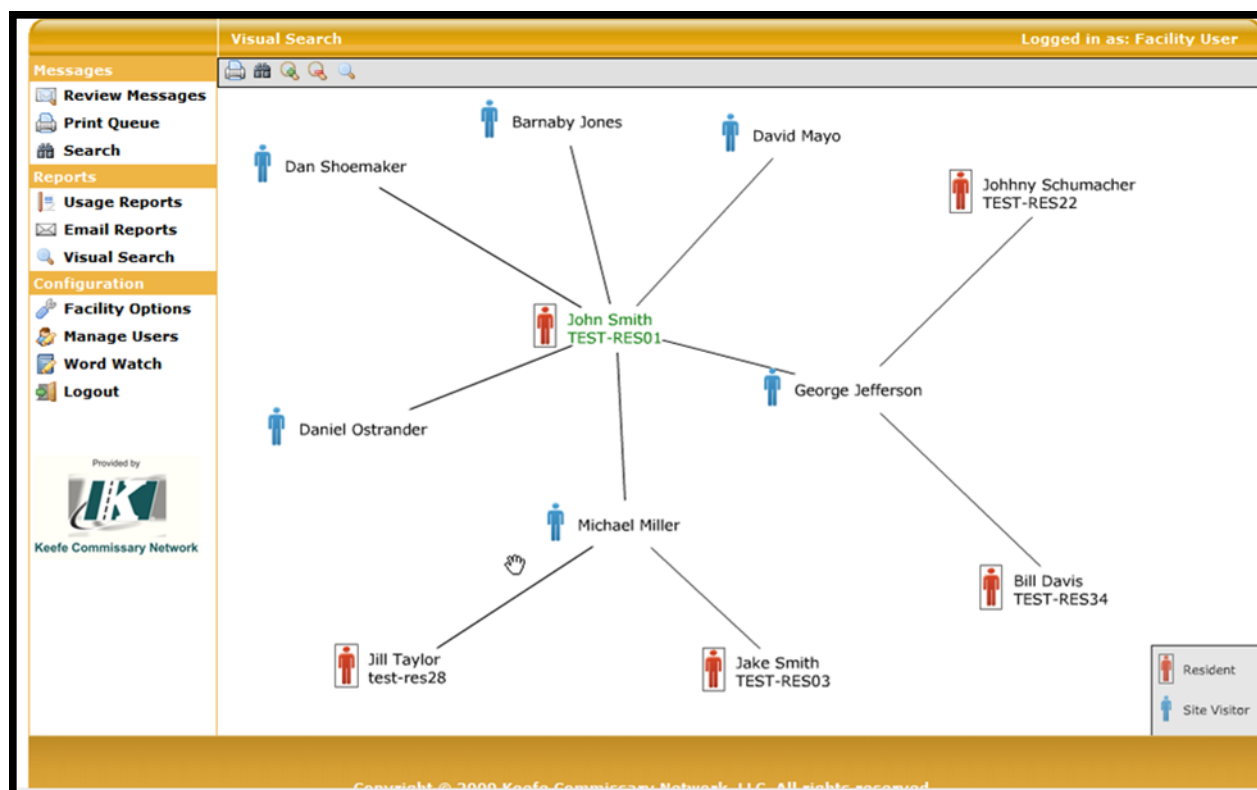
KCN would also like to detail our Data Detective® software which will be available to the facility at no cost. Data Detective® is KCN's data mining solution specifically designed for our services. This tool is designed with the investigative nature of the corrections market in mind. Authorized staff will be able to search varying degrees of separation in order to establish links from offender to offender or end user to end user. Some of the features are listed below:

- *Facility staff can explore important data using a dynamic visual map*
- *The unique design of the visual map allows investigators to quickly find connections and patterns*
- *Ability for staff to look for connections between e-mail communication with offenders,*

Customers, etc.


- *Potential to add multiple layers of data that the facility chooses to include in the visual search (i.e. offender visitor lists, release date, etc.)*
- *Web based program allows authorized facility staff are able to view from their own desktop computer.*

Over a year of research and development, utilizing established relationships with correctional facilities allowed KCN to develop the very best solution for the corrections market. This tool will automatically be applied to all electronic communication with the ability to add multiple other sources as determined by the facility. The investigative ability of this software is virtually endless.



Access Secure Release


This feature is available at NO COST to the DOC



**ACCESS
SECURE RELEASE™**

NO COST TO YOUR FACILITY!

This innovative debit release card solution eliminates check fraud and cash mismanagement. When detainees are released, facilities simply load any remaining balance to a pre-paid debit card and send them on their way. The card works everywhere MasterCard is accepted.



all•access
5169 1999 9999
YOUR NAME HERE
0000/10
Debit
MasterCard

In the last decade, correctional facilities have experienced a tremendous increase in costs associated with handling Inmate Trust Funds. In an effort to streamline and reduce costs associated with this obligation many facilities have replaced cash and checks with our debit card program. Debit cards are a cost-effective alternative to issuing traditional checks. All hardware needed to provide this service will be provided by KCN at no cost.

Benefits of releasing inmates with a debit card include:

- *Reduces exposure to fraud and lost checks*
- *Easy to use. Simplifies Bank Account Reconciliation*
- *Eliminates checks and cash handling*



The Access Corrections debit release card is provided through our partnership with OutPaySystems. Our debit card carries the Master Card logo and is a permanent pre-paid card upon release. This means the cardholder will immediately receive all the benefits that come with having a permanent card (Re-Load Capability, Direct Deposit from an employer, Bill Pay, etc). The card will be immediately activated at the time the funds are loaded on to the card and a PIN code will be provided to the cardholder. There are no extra steps required to activate the card. This provides the cardholder with immediate access to their funds.

Our debit card is also part of a national Credit Union Network, which means cardholders will be able to reload their card for free at any participating Credit Union. This also means that the cardholder can get cash via an ATM without paying additional surcharge fees, when using a participating Credit Union network ATM. This debit card allows inmates with or without a bank account access to their money 24 hours a day at ATM locations and Point-of-Sale locations worldwide.

By being a part of the Credit Union network, the program helps those that would otherwise not have access to a bank. KCN will provide each inmate with a literacy packet that will provide information that will assist the inmate in changing banking habits and re-establishing themselves on the outside.

Inmates can access their cash for free at Cash Back Point-of-Sale locations anywhere in the world. In addition, our extensive network of Credit Unions provides many reduced and free transaction options.

ATM's are located at convenient locations such as 7-Eleven and many retail locations across the country. For a complete list of ATM locations, visit: <http://www.co-opfs.org/public/locators/atmlocator/>.

The facility can load the card with as little as \$0.01 or as much as \$9,700.00. There is no fee to load the card. All funds are on deposit at an FDIC insured bank. Every inmate qualifies for this program and can be issued a debit card regardless of immigration status.

Access Secure Release™ is an efficient way to return the balance of an inmate trust fund account upon release on to a prepaid debit card.

By utilizing KCN's debit card release program, Bergen County will reduce accounting staff dedicated to balancing checks used for release. By reducing the workforce needed, employees will be able to be allocated to other areas within the Jail

This program helps eliminate cash and checks. It also helps the Jail get out of the banking business.

Video Visitation Overview

This feature is available upon further negotiations with the DOC

Access Corrections™ Secure Video Visitation technology provides services to allow friends and family members to visit with their incarcerated loved ones from the comfort of home. This system brings a state-of-the-art solution to correctional facilities offering an efficient and practical program that will assist the facility in the re-entry initiative by providing both on site and remote video visitation. Additional benefits include reducing costs, adding security, reducing contraband entering facilities and adding a revenue source to offset the facilities Offender Management System.

Over 40,000 visits have been conducted using Secure Video Visitation; the system is live or currently being deployed in three states—including the Idaho Department of Corrections coming in 2012. The implementation of Secure Video Visitation at the 1,000 bed Ada County Jail in Boise, ID, has been so successful that they have decided to entirely eliminate physical visitations. Secure Video Visitation is fundamentally changing visitation.

No other system offers remote, web based visitation via either an on-demand or a locally hosted basis. No similar system has been used as widely or extensively, and no other video visitation system has generated more revenue for facilities than Secure Video Visitation.

Many studies have concluded that there is a tremendous benefit in the rehabilitation process when offenders have consistent interaction with their friends and family. There is even greater value for those offenders with dependency issues, and need direct interaction with friends and family to best prepare them for their release.

The Secure Video Visitation System enables visitation between offenders and people located anywhere in the world. Secure Video Visitation includes software (hosted at an off-site, fully managed, and secured facility) that handles:

- *Visitation session scheduling*
- *Management of rules and workflows*
- *Session brokering and monitoring*
- *Recording/Storage of offender visitation sessions for easy recall by investigators*

The hosted system can quickly be integrated with the facility Offender Management or Jail Management System (OMS/JMS).

VIDEO VISITATION FUNCTIONALITY

The Secure Video Visitation system implemented for the Facility will include:

Corrections Grade Visiting Station(s): KCN provides this hardened kiosk solution through the utilization of our current Edge® kiosk platform.

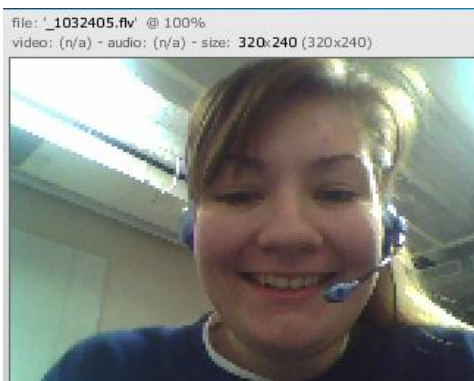
*Non-Corrections Grade Visiting Station:
Each visitation station can be comprised of a low cost net book computer secured to the wall by a steel enclosure (as shown in the photo to the right).*



Monitoring Stations: Secure Video Visitation allows monitoring of video visitations from any computer with web access (no special hardware or software is required). The facility can control access to monitoring sessions through password and role assignment. We recommend the primary monitor station be located in a space where the officer has a clear line of sight to the offender visitation stations.

The Monitoring Software allows designated users (Monitors) to monitor the audio and video for each of the ongoing sessions. Monitors are able to terminate a session at any time by clicking a button on the screen labeled "Terminate Session".

The below screen shot is what will be viewed by the person monitoring the session. They will easily be able to see both participating parties and if warranted can easily terminate the session by simply clicking the End Session button.



Web Based Scheduling: Secure Video Visitation includes a web based scheduling system that enables offenders to invite visitors and schedule sessions using a simple process without requiring significant staff time.

- **Offender requests approval of visitor**
- **Staff approve/disapprove visitor list**
- **Offender sends an invitation to visit**
- **Visitor sets up and account**

All visits are confirmed in advance (to reduce no-shows). Visitor-initiated scheduling (where the visitor requests a visitation appointment that the offender may accept or decline) is also available, as is staff-initiated scheduling.


Scheduling can be integrated with the OMS/JMS and is based on facility defined policies. Secure Video Visitation includes the ability to configure permissible visitations based on multiple facility defined parameters such as: offender, time of day, day of week, or visitor. While the standard visitation time is 25 minutes this is configurable as is an allowance for free visits. Offender visitation privileges can be curtailed or eliminated, visitors can be “black-listed” from the system, and visitation hours specified. Secure Video Visitation also allows for pre-approved, no audio recording, privileged visits from legal counsel or clergy.

Please see the below for examples of screen shots for web based scheduling.

Offender Website

| | |
|---|---|
|  <div>Home</div> <div>Schedule Session</div> <div>Upcoming Visits</div> <div>Invite Someone</div> <div>Professional Visitors</div> <div>Messages</div> | <h2 style="text-align: center;">DIRECTIONS</h2> <p>Step 1: Create an invitation:</p> <ul style="list-style-type: none"> • Go to INVITE SOMEONE to invite family or friends to be on your approved list of visitors. • Follow the directions provided. • To schedule visits, you must first create an approved list of visitors. <p>Step 2: Check the status of your invitation:</p> <ul style="list-style-type: none"> • Accepted invitations can be viewed by clicking on INVITE SOMEONE. • Declined invitations will be sent to MESSAGES. <p>Step 3: If your family or friends have accepted your invitation, go to SCHEDULE SESSION and follow the directions provided.</p> <h2 style="text-align: center;">RULE VIOLATIONS</h2> <p>Violating any of the following rules, directly or indirectly, could result in automatic termination of your visit and/or disciplinary action.</p> <ul style="list-style-type: none"> • Loud or disruptive conversations. • Foul or threatening language. • Sexual activity. • Drug use. • Directly or indirectly harassing any person. • Violating or attempting to violate a no-contact or protection order. • Using another inmates LE and Password. • Attempting to bypass a blocked email address. • Harassing or annoying outside parties by repeatedly sending unwanted visitor invitations. • Illegal activity violating State, Local, or Federal law. |
|---|---|

Date, Station, Time Selection and Scheduled Visits



Home

Schedule Session

Upcoming Visits

Invite Someone

Professional Visitors

Messages


Keefe Video

Friday | Saturday | Sunday | Monday | Tuesday | Wednesday | Thursday

Friday 2/10

| | |
|------|---|
| 4am | |
| 5am | |
| 6am | |
| 7am | |
| 8am | 8:00 - 00001 - mmanning@keefegroup.com (Confirmed) |
| 9am | 9:00 - 00001 - mmanning@keefegroup.com (Confirmed) |
| 10am | 10:00 - 00001 - bstafets@keefegroup.com (Confirmed) |
| 11am | |
| 12pm | |
| 1pm | |
| 2pm | |
| 3pm | |
| 4pm | |

Reservation Confirmation (Ada County Sheriff's Office Example)



ADA COUNTY JAIL VIDEO VISITATION

HOME | SCHEDULE SESSION | INVITE SOMEONE | PROFESSIONAL VISITORS | MESSAGES | CHANGE PASSWORD

You are reserving

Station: BlackfinVideo

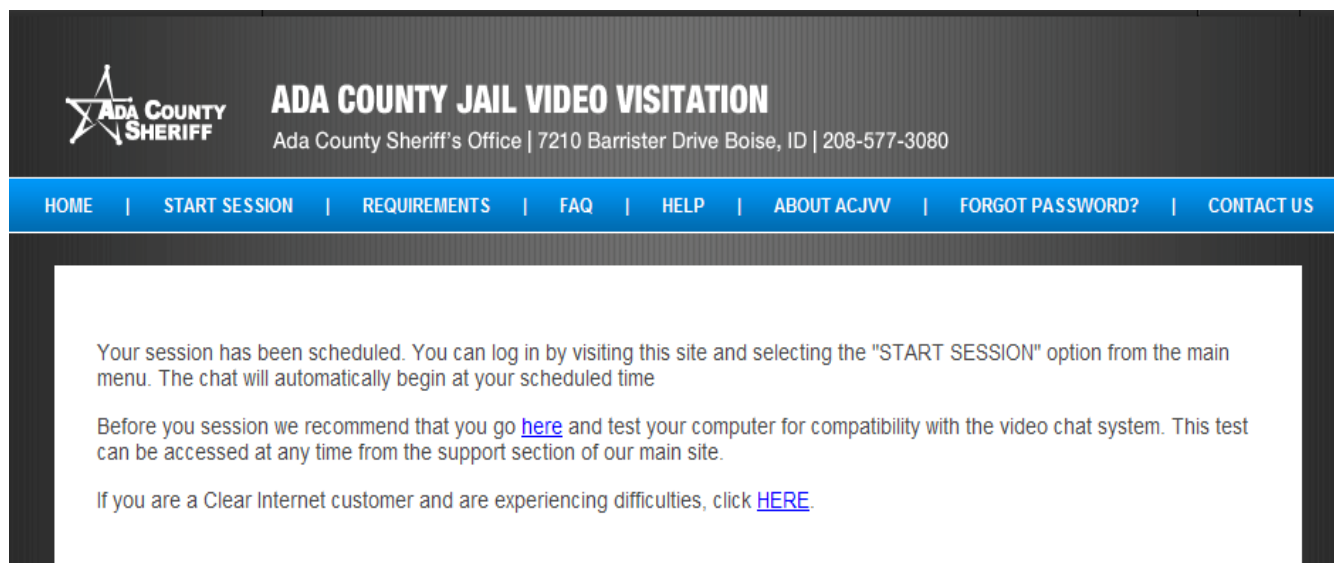
Selected Day: Wednesday

Starting At: 09:30 AM

Guest: Chris Krasselt

Reserve Time Slot

Visitor Website (Ada County Sheriff's Office Example)



Tracking offender and end-user information: Secure Video Visitation automatically logs offender and visitor information and associates it with the visitation station. All visit data is stored in a database and is searchable via standard database queries.

Recording and Recording Storage: As a standard all visitation sessions and data are typically stored for 90 days at the Secure Video Visitation hosting facility. Visitations can be viewed by authorized facility personnel via the web; any session can be downloaded for permanent storage.

Training: Required training for facility employees and offenders will be simple and straightforward, live training will be provided at no charge. Training for visitors is handled via online web training resources.

Access Secure Entertainment (MP3 Players):

(This feature is available upon further negotiations with the DOC)

Keefe MP3 Music Program provides a secure method by which users can browse, select and download digital content to their personal media player. The program consists of an Access MP3 portable media player, kiosks for downloading digital media and other content, and a private satellite delivery system. The MP3 music catalog is comprised of nearly 6 million individual songs and is one of the largest MP3 music catalogs in the Country. In addition to music, this program also supports approved electronic messaging and photos. In the near future, it will also support educational content and rehabilitative programming. Our MP3 program runs on our own network and is the only proven correctional MP3 program currently operating in 10 state-wide DOC's which has delivered more than 5 million songs successfully to thousands of offenders.

The ten DOC's in which this technology is implemented are listed below:

- *Michigan DOC*
- *Alaska DOC*
- *Idaho DOC*
- *Oklahoma DOC*
- *Mississippi DOC*
- *Ohio DOC*
- *Florida DOC*
- *Kansas DOC*
- *New Mexico DOC and*
- *New Hampshire DOC*



Specifications - MP3 Portable Media Player:

- *The Access MP3 Player is the only portable media player designed specifically for use in correctional environments.*
- *User name and number appears on the LCD screen each time the device is powered on for positive ID.*
- *Built from scratch, of heavy-duty clear plastic and shock-resistant hardware, with a host of specialized, correctional-only security features.*
- *Runs on AA batteries but allows for an AC adaptor to conserve battery life when an AC outlet is available. However, to use the adaptor the player must still have the batteries in place even though no battery life is being used.*
- *Comes with ear buds and batteries and has a permanently affixed serial number. The serial number is also programmed within the player.*
- *While other programs require offenders to stand at the kiosk to make music selections, offenders search our music catalog by song, artist and genre directly on the player. Based upon our studies, this feature consumes approximately 2 to 3 hours a day of offender downtime while browsing our catalog.*



Music Kiosk:

- *When ready to download, users connect their player to the Music Kiosk via a standard USB connection and the system automatically begins to download music.*
- *The Music Kiosk is designed to be “self-service” and does not require direct supervision by facility staff.*
- *The cabinet is built from 14-gage steel, is fully enclosed, locks on all*



sides and mounts to the floor.

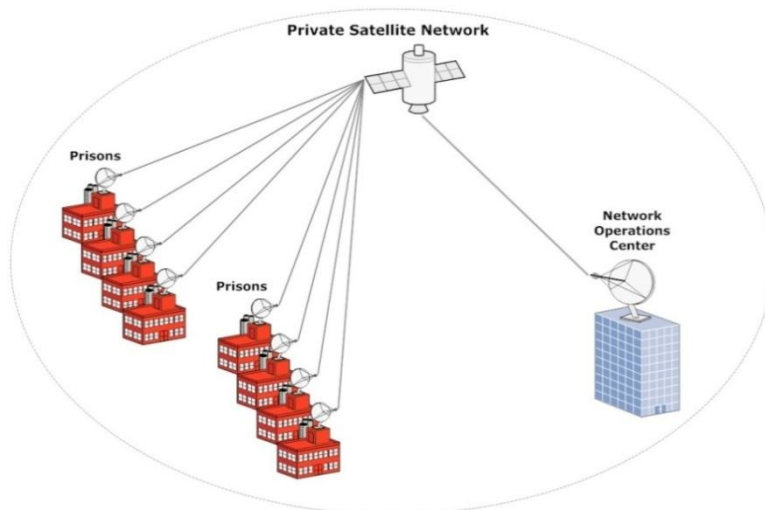
- *The Music Kiosk allows for four (4) simultaneous player connections.*
- *One kiosk can service thousands of offenders, while other music programs require 1 kiosk per 30-60 offenders.*
 - *Average connection time to the kiosk is less than three (3) minutes.*
 - *Our proven kiosk system results in an efficient process that eliminates lines and problematic crowding associated with searching and downloading directly at the kiosk.*

Keefe's Outdoor Kiosk:

- *Fully secure cabinet constructed from solid aluminum. Completely sealed against the elements and withstands temperatures of -20 to +135 deg. F.*
- *LCD MONITOR: 15.1" TFT Active Matrix LCD. Sunlight Bright Industrial Flat Panel Display w/Hi-Brite transfective film and optical bonding. Antiglare. Constructed with tempered glass.*
- *Supports up to 4 offender connections at once*
- *Does not require staff interaction*

Private Satellite Network:

- *Completely private data network built specifically to support our program.*
- *Network uses direct satellite communication to bypass public Internet, ensuring the highest level of security possible.*
- *It is not possible for users to reach the public Internet from this network. Nor is it possible to reach this network from the public Internet.*
- *Network is composed of the latest technologies and is simply the most secure method by which to deliver content today.*



Accessories

External Keyboard

The Maxx Keyboard will provide offenders a method for responding to messages and easier method for searching the catalog from their MP3 player. It is made from durable clear rubber material and rolls up for easy storage and transport.



Music Catalog:

Keefe's music catalog consists of nearly six (6) million individual tracks. Keefe's catalog is composed of content from (a) the four major labels, which include

Universal, Sony, EMI, and Warner, (b) several hundred private and/or specialty labels, and (c) thousands of independent artists via the Independent Online Distribution Alliance. In terms of the number of artists represented, Keefe catalog is comparable in scope to major digital music retailers like Amazon and iTunes.

Keefe has in place an automated process to restore media purchased by an offender. Every time an offender connects his player to the kiosk it will automatically check the current songs on his player against the songs he has previously purchased and add back to the player any song that is missing. The player will also automatically check for new updates to the catalog as well as new firmware updates for the player. This is a huge advantage as the facility and offender will not have to do anything as it is all automated. The music catalog is updated daily.

Upon the DOC's request, the music catalog can be filtered to eliminate any songs that have parental advisory or explicit lyrics or any other titles deemed inappropriate by the DOC.

Music Download - Search for Songs Directly on the Player:

Unlike other programs where offenders have to browse and select their music directly from the Kiosk, Keefe's MP3 program allows users to search for songs directly from his/her player. This process occurs during the users own time while in his/her cell. We have learned from studying our current customers that offenders spend 2 to 3 hours a day searching for songs. Programs that require offenders to search for, select and download music all while connected to a kiosk can present serious issues, including delays in receiving music and long lines forming as a result of the amount of time required per offender. These lines can lead to disruption and/or disputes among the offender population. With our MP3 program, a user simply selects the songs he/she wants to purchase directly from the player. The selected songs are then placed in the "Download Manager" on the player and will automatically download to the player upon the user's next connection to the kiosk.

Transmitting of Songs to the Kiosk

Keefe's delivery of music is via a completely private data network built specifically to support our program. The Network uses direct satellite communication to bypass public Internet, ensuring the highest level of security possible. It is not possible for users to reach the public Internet from this network. Nor is it possible to reach this network from the public Internet. The Network is composed of the latest technologies and is simply the most secure method by which to deliver content today.

Unlike other programs that require the use of the DOC's network to deliver music, Keefe's satellite network provides a separate network for the uplink to download music. This prevents critical bandwidth being taken up across the DOC's network. Keefe's program does not require the use of the DOC's network to deliver music, thus making it the most efficient program available.

Plus over 70% of songs are stored directly at the kiosk allowing for the average download time of 8 seconds per song. By having the songs stored directly at the kiosk, Keefe's program operates much more efficiently. This process eliminates crowding and lines at the kiosk as well as considerably shortening the amount of time a user is connected. The average connection time per user is less than three (3) minutes and the average download time per song is 8 seconds.

How Offenders Pay for Downloaded Music

Keefe has a separate account for media purchases. An offender can request to add funds from his/her trust

account into his/her prepaid media account. Before downloading the songs to the offender's player our kiosk checks the offender's prepaid media account balance on our system to ensure the offender has sufficient funds to purchase the requested songs. After songs are downloaded, the offender then receives a message on their player stating their transaction history as well as their account balance. All pricing for songs, MP3 players and accessories will be negotiated once the DE DOC decides to move towards a MP3 program.

Security Features

Player Only Connects to Kiosk

The Maxx Player will only communicate with our Music Kiosk.

No Player-to-Player Communication

The players do not communicate with each other in any way. It is not possible for songs to be shared between devices or with any computer while in prison.

No External Storage Supported

The player does not support any form of external storage (SD, MicroSD, etc.), which means songs cannot be transferred off the players.

Private Satellite Network - No Internet Access

To ensure the highest level of security possible, the network uses direct satellite communication to bypass the public Internet. It is not possible for a user to reach the public Internet from this network, and it is not possible to reach this network from the public Internet. This network is composed of the latest technologies and is simply the most secure method by which to deliver content today.

Music Kiosk Security

The Music Kiosk is designed to be "self-serve" and should not require any oversight or assistance from the facility. Our Music Kiosk has the following security features:

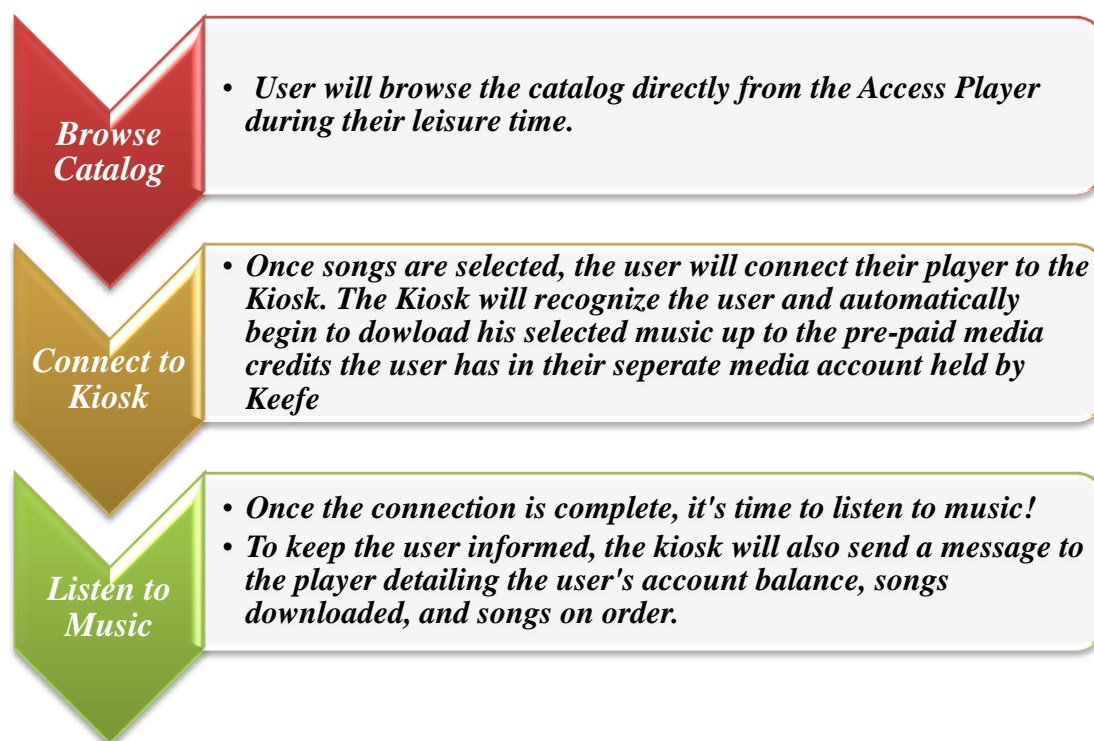
Offender simply connects his player and the kiosk takes over. The offender will never access a mouse, keyboard, or any of the equipment inside the kiosk.

Constructed of fully-welded, 14-gage steel

Locks on all sides and mounts directly to floor

The User Experience:

This program has been developed to accommodate the security, control and logistical efficiencies required of content distribution within the correctional context. To accommodate the wide range of literacy levels and differences in technical familiarity among this user base, the process of selecting and ordering music has been organized into 3 easy and highly-secure steps:



Program Benefits:

Information Screen: Positive Owner Identification

The Information Screen displays the offender name and number on the Player's screen each time the device is powered on or when the menu button is held for three seconds.

The Information Screen eliminates the need to etch or externally mark the property.

This corrections-specific security feature reduces theft and allows correctional staff to easily manage the devices.

Reduced Property and Contraband

The program significantly reduces property levels vs. other music programs.

The program reduces the facility's costs associated with ordering and managing radios, cassettes, or CDs.

The MP3 Player has no rotating motors or moving parts that can be used to make tattoo guns.

Music Library: Filtering and Control

The music library can be filtered to remove any content that is explicit. The content can be further filtered by album, artist and/or song at the facility's request. There is no limit to the control that can be exercised over the content made available through this program.

The music catalog is updated with newly released content on a daily basis.

Easy for the Facility to Manage

The program is designed to be self-service and requires virtually no interaction by facility personnel.

Removal of Security Features Upon Release

Keefe's MP3 program allows for the offender's player to have the security features removed upon release.

The offender would need to send the player back to Keefe. For a fee the offender can have the old software

removed and new software put on. Keefe will then ship the player back to them. They will not lose any previously purchased music as it will all still be on the player when they receive it back. Once the player has been “unlocked” it can then function as any normal MP3 player and can be used on any computer. Songs can then be bought through any normal means (i.e. iTunes, Amazon, etc.).

Able to disable Player if Lost/Stolen

Any device that is stolen can be FRAUD LOCKED by contacting Keefe. If a FRAUD LOCKED device is connected to the system, the facility will be notified of the time, date, and kiosk location. A device that has been fraud locked will remain unusable until the facility reports the device as recovered.

How Do We Stack-up? Access to Entertainment vs. the Competition

| <i>Technical Data</i> | <i>Keefe</i> | <i>Competition</i> |
|--|--------------|--------------------|
| <i>Proven in 10 statewide DOC's</i> | √ | x |
| <i>Keefe Private Satellite Network</i> | √ | x |
| <i>Browse & select Music from MP3 Player</i> | √ | x |
| <i>Mortality Timer – Auto Shut Off</i> | √ | ? |
| <i>Fraud Lock</i> | √ | ? |
| <i>Security Shut Off</i> | √ | ? |
| <i>Programming/content to support re-entry</i> | √ | ? |
| <i>Corrections-Only Device</i> | √ | ? |
| <i>Supports Pictures and Secure Mail</i> | √ | ? |
| <i>No Transaction Costs</i> | √ | ? |
| <i>No Equipment, Network and/or Maintenance Cost</i> | √ | ? |

Future MP3 Players Android Platform

Keefe is in current development for an advanced MP3 player. The advanced media player will include a number of new Self-Service features and share a number of Self-Service features otherwise available on the offender pod Edge®™ Kiosk platform. By enabling mobility of self-service features through its advanced media players Keefe minimizes the kiosk infrastructure burden to the Department. Advanced players will operate in off-line mode until synced either at an Edge®™ Kiosk, Media Manager Kiosk or a Department endpoint equipped with Keefe-Sync software.

In addition to music, electronic messaging and photos that our player features today, our advanced players will also feature: Videos, Games, Educational Content, Commissary Ordering and additional Facility Content.

The below advanced players will offer an Android device manager platform which is more efficient and improved from the firmware style devices that are being offered today.

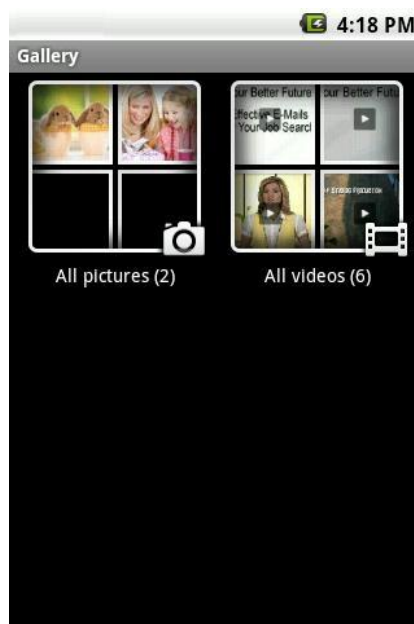
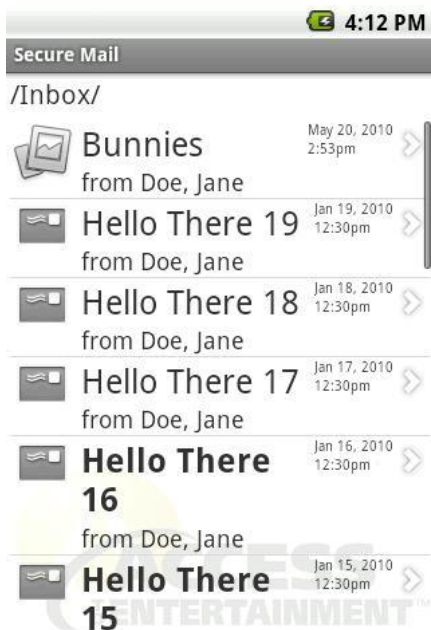


MAXXtouch



MAXXslide

Sample Screen Shots of the MaxxSlide



*Please see the following page for a sample roll out timeline for the implementation of our MP3 program.
**Dates in Project Work plan are subject to change, but will be monitored.*

MP3 Music Program Project Work Plan:

| | <u>Task</u> | <u>Assignment</u> | <u>Start Date</u> | <u>End Date</u> | <u>Notes</u> |
|----|--|--------------------------|--------------------------|------------------------|---|
| 1 | Site visits to determine placement of kiosks | DOC Staff KCN Staff | Day 1 | Day 30 | |
| 2 | Begin marketing to offenders and allow pre-sales | DOC Staff KCN Staff | Day 30 | On-going | |
| 2 | Satellite equipment setup for installation. | KCN Staff | Day 30 | Day 60 | |
| 3 | Build kiosks for installation | KCN Staff | Day 1 | Day 60 | Time may vary depending on number of kiosks |
| 4 | DOC to generate and provide Keefe with sample Offender Information File (IIF) | DOC Staff | Day 1 | Day 30 | |
| 7 | Keefe to review DOC sample Offender Information File (IIF) | KCN Staff | Day 30 | Day 34 | |
| 8 | Keefe to test manual processing of the Offender Information File (IIF) | KCN Staff | Day 34 | Day 38 | |
| 9 | Keefe to perform test purchase transactions against the sample Offender Information File (IIF) | KCN Staff | Day 38 | Day 38 | |
| 10 | Test full process flow to and from FTP site | KCN Staff DOC Staff | Day 40 | Day 40 | |
| 11 | Install satellite systems and kiosks | KCN Staff | Day 60 | Day 90 | Time may vary depending on number of kiosks |
| 12 | Train staff and offenders on player use | KCN Staff | Day 80 | Day 90 | Time may vary depending on number of kiosks |
| 13 | Delivery pre-sold players to offenders | KCN Staff DOC Staff | Day 90 | Day 90 | |
| 14 | Bring all players and kiosks live | KCN Staff DOC Staff | Day 90 | Day 90 | |
| 15 | Final review of project and implementation plans | KCN Staff DOC Staff | Day 90 | Day 90 | |

Offender packages purchased by family members or friends:

KCN is proposing to use two methods simultaneously to provide the opportunity for offenders to receive packages purchased by family members or friends.

KCN is proposing to utilize prepackaged kits from Wishes From Home and custom menu selections from Access Securepak a division of KCN.

Method 1: Wishes From Home

KCN will utilize the company Wishes from Home “WFH” – a certified women owned Delaware corporation located in Hockessin, DE.



- *KCN proposes to allow WFH to offer 12 prepackaged kit options ranging in price from \$20 to \$80 per package.*
- *WFH will utilize Delaware Industries for the Blind (Herman Holloway Campus) for packaging the kits*
- *All kits will be packaged in clear vented poly bags and heat sealed*
- *WFH will accept orders via internet, mail or phone*
- *WFH will accept payment via – credit / debit card or money order*
- *Orders will be shipped from the Herman Holloway Campus to the appropriate DE DOC facility for delivery to the offender*
- *KCN proposes that each DE DOC offender will be allowed to receive at least one package from WFH per calendar quarter.*
- *DE DOC will approve all kits offered for sale and all printed marketing materials prior to distribution*

Each DE DOC facility will receive the same commission percentage on the inmate package programs as it receives on commissary sales.

Products

Wishes from Home will offer a selection of pre-defined packages at various price points.

Order Placement

Orders can be placed on the Wishes From Home website or by phone.

- *Phone orders are placed by calling 855-WISHES1. A combination of DIB and WFH employees will staff this number.*
- *Web site orders use a typical e-commerce, shopping cart site, but requires the creation of user account and the selection of a valid offender in the appropriate housing unit*
- *Currently, all payments are processed through PayPal’s secure site.*
- *All data is encrypted on the PayPal site. WFH does not see the payment information (Credit Card*

Numbers, etc.). We utilize Instant Payment Notification (IPN). No payment information is stored. We currently store only first and last name, and e-mail address. IP address will be added if required.

Order Fulfillment

- Packages will be pre-assembled by the DIB employees at the Herman Holloway Campus.*
- Kits will be packed in clear vented bags and heat sealed, and stored on warehouse shelves until needed.*
- Orders will be pulled from the system at the DIB facility daily.*
- Packages will be gathered according to facility for delivery based on approved delivery schedule.*
- Bins containing the ordered packages will be taken to the appropriate location by DIB staff.*

Refund Policy

Due to the unique nature of the Corrections industry, a No Refund policy is required, except in the case of offender being released prior to the delivery of the package.

Upon delivery, the offender will have the opportunity to report damaged or missing items. The delivery employee will verify it and submit the issue to the WFH for resolution.

Customer Service

The customer service phone line will be staffed by a combination of DIB and WFH employees. The hours of operation are to be determined.

Marketing

Marketing and promotion of the program will require communication to the friends and families of the offenders. Wishes from Home will provide marketing materials to each facility. These materials include posters with visuals of the web site and the web address will be provided to the facility to hang in lobbies and visitation areas.

Greater detail of the program will be included in brochures to be placed in the visitation areas.

Postcards will be provided to the facility. These postcards should be included with Intake information. The cards include site information and the web address. The intent is for offenders to send them to their family members to request a package. These postcards may be provided with postage included.

KCN will be providing commissary to the offenders of the Delaware Department of Corrections free from any middle-men or third parties.

*KCN will be utilizing one subcontractor, "Wishes From Home". Wishes From Home (WFH) will help us for the purposes of providing a secure package program to the offenders of the DE DOC under one option. Wishes From Home is also a certified MBE in Delaware. Please see **Attachment "E"** for proof of MBE certification from the state of Delaware as well as WFH's business license for the State of Delaware.*

Wishes From Home is an e-commerce company which is wholly owned by JanLu Consulting LLC, a certified Delaware Woman Owned Business. The company hosts a web site that allows the friends and family of offenders to send gift packages to incarcerated individuals.

Wishes from Home has established a partnership with the Delaware Industries for the Blind. DIB currently offers fulfillment services as one way they are able to employ their clients. This partnership offers the perfect labor and warehouse solution for Wishes From Home and a new employment opportunities for Delaware's visually impaired – a population that currently experiences approximately 70% unemployment.



In addition to the Corrections channel, Wishes From Home operates a website which offers an avenue for family and friends of deployed military to send gift packages overseas.

Janet Lucernoni, founder of the company, has over 20 years' experience in the Contract Services arena, in both operations and technology. Ten of those years were in the Corrections industry. She led the technology function for the \$500 million Aramark Correctional Services business, developing and implementing IT solutions that provided competitive advantage and increased new revenue channels in a quickly emerging market. Janet is a member of the American Correctional Association, the Corrections Technology Association, and the National Association of Professional Women.

Christopher Lucernoni serves as the Chief Technology Officer for Wishes From Home. He is a Computer Engineer with extensive Defense Contractor and Government program experience building applications to spec using industry standard platforms such as Java, Oracle, Web Service and Service Oriented Architecture.

Wishes From Home also benefits from the professional guidance of an Executive Advisor who serves voluntarily. Kelly Christiano is an SVP with Sallie Mae. Kelly is a Harvard University and Wharton School of Business graduate. She has over 20 years of experience launching and building services and technology-related businesses, in Corporate and VC-backed environments. Prior to joining Sallie Mae in 2007, Ms. Christiano was President of VIPdesk, Inc. a VC-backed home-based agent call center business that she grew to over 300 employees, while gaining multiple awards for growth and innovation, including Inc. 500 awards in 2003 and 2004. Before VIPdesk, Ms. Christiano spent 11 years at ARAMARK Corporation in several roles, including product development where she spearheaded the launch of a new e-Commerce business Products and Services

Method 2: Access Securepak

KCN will also utilize Access Securepak "Securepak" the division of KCN that provides opportunities for offender packages purchased by family members and friends for 23 State Department of Corrections throughout the United States.

Securepak processes approximately 1,000,000 packages per year that were purchased by family members or friends for delivery to offenders.

- *Securepak will provide a menu of approximately 150 items for purchase by family members or friends to create a custom package for delivery to a DE DOC offender*

- *KCN proposes a minimum order dollar value to be set at \$20 and maximum order dollar value to be set at \$80*
- *Securepak will fulfill all orders at its main warehouse in St Charles, MO*
- *The St Charles, MO location is monitored 24/7 with closed circuit security cameras and alarm system*
- *All employees are drug screened prior to employment and background checks are performed*
- *All packages will be processed without the identity of the offender known during order fulfillment*
- *All packages will be packaged in clear vented poly bags and sealed before the identity of the offender is known*
- *Securepak will accept orders via internet, mail and phone*
- *Securepak will accept payment via credit / debit card or money order*
- *Securepak's Call Center employs approximately 90 Customer Service Representatives with both English and Spanish speaking representatives available*
- *Orders will be shipped to the appropriate DE DOC facility for delivery to the offender*
- *KCN proposes that each DE DOC offender will be allowed to receive at least one package from Securepak per calendar quarter*
- *DE DOC will approve all items offered for sale and all printed marketing materials prior to distribution*

Each DE DOC facility will receive the same commission percentage on the inmate package programs as it receives on commissary sales.

SECUREPAK COMPANY PROFILE

Access Securepak® is the most comprehensive custom package program in the correctional industry. Securepak® is a program designed to allow family members and friends to send packages to offenders. Securepak® was developed to eliminate contraband and greatly reduce the time and labor required to process packages.

Access Securepak® makes the process of creating a package program easy – all you have to answer is 4 simple questions:

- 1) Who – determine which offenders are eligible to receive a package*
- 2) What – approve menu to be offered for selection*
- 3) How much – determine dollar, quantity or weight limit of order*
- 4) When – determine how frequent a package can be ordered and received*

As an affiliate of Keefe Group, you will benefit from the market and product expertise we have been offering since 1975.

For over 35 years, Keefe Group has been the industry leader in the packaging and distribution of high quality products and services to correctional facilities.

Access Securepak® is the clear choice for your custom package program, offering:

- *Innovative Product Line*
- *Safety and Security*
- *Outstanding Customer Service*
- *Flexibility*
- *Industry Expertise*
- *Order Accuracy*
- *Customized Delivery & Shipping Schedule*

SECUREPAK PACKAGE PROGRAMS

Access Securepak® is designed to allow the / Jail to determine the frequency in which an offender may receive a package. This frequency could be once a week, once a month, once a quarter or once a year – this option is totally under the control of the County. Package shipments can arrive daily or be consolidated shipped on a weekly, bi-weekly, monthly, quarterly or end of program basis – again this feature is totally under the control of the County.

Access Securepak® allows family and friends to send packages to offenders. By allowing Access Securepak® to be your package provider, you will reduce the amount of time necessary to search offender packages shipped from outside sources.

SECUREPAK PROGRAM BENEFITS

Access Securepak® allows you to control full implementation of the program; making sure the Securepak program meets the unique needs of your particular institution.

When designing a custom package program, you should consider:

- *The safety of your officers and offenders*
- *The cost to process incoming packages from non-approved vendors*
- *The vendor's ability to deliver packages in a timely manner*
- *The vendor's variety of products and 'correctional friendly' packaging*
- *The vendors experience in implementing a statewide package program*

How Securepak® will help ensure a secured environment:

- *Securepak offers the most 'correctional friendly' commissary items in the correctional industry*
- *Orders are packaged at Keefe's / Access SecurePak secured warehouse*
- *Boxes or bags are sealed with a tamper evident tape to ensure the security of the packages*
- *All employees undergo an extensive screening process and background check*
- *Securepak eliminates the need to search and x-ray packages from outside sources*

SECUREPAK TECHNOLOGY

Access Securepak®, as your partner, we make it our mission to understand the technical needs of your facility and provide you with solutions to fit your needs.

Our Proprietary Software:

- *Enforces spending, weight, order frequency, and offender status limits*
- *Detailed reporting and customized reports including offender order history and ship dates*
- *Software changes are available at your request*
- *Processes orders, enforces product restrictions and quantity limit*

Our Customized Website Enables:

- *Customized, easy-to-use website for online purchases*
- *Your website will be built for your facility or state, displaying your approved menu*
- *Facility regulations and order limitations will be enforced*
- *Online ordering is available 24 hours a day, 7 days a week*
- *Online order confirmation is given to the customer*



SECUREPAK - EXCEEDING EXPECTATIONS

Access Securepak® Custom Package Program is not only hassle-free for institutions, it's easy for everyone with our customized online ordering and pre-printed order forms, customers may choose a method which best suits their needs.

Convenience

- *An easy to navigate website for online purchases*
- *Free catalogs, order forms and marketing support*
- *On time, accurate delivery of orders*
- *The largest selection of products in the industry*
- *Proprietary software customized to meet the needs of your institution*
- *State-of-the art call center to process orders and answer questions*
- *Major credit cards accepted – MasterCard, Visa and Discover*
- *Toll-free customer assistance available in English and Spanish*

SECUREPAK PRODUCT MENUS

Access Securepak® features over 5,000 products, including many name brand items and products specifically designed for the corrections market, the Access Securepak® Custom Package Program is designed to meet the unique needs of facilities and families

Food & Snacks:

- *Flexible pouches*
- *Clear packages*
- *Resealable packages*
- *Plastic jars*
- *Kosher & Halal certified products*



Personal Hygiene Products:

- *Hundreds of items to choose from*
- *Name brand and private label products available*
- *Products available in clear containers*

Electronics:

- *Televisions, radios, headphones and more*
- *Clear plastic casings to eliminate contraband*
- *Security screws*
- *Headphone jacks*
- *Custom modifications available*



Apparel:

- *Shoes, boots, underwear, t-shirts, sweats, socks, shorts, jeans and more*
- *Colors to meet facility requirements*
- *Sizes available in Small to 6XL*

Give us a call and we will show you how easy it is to get this program started.

Contact your KCN / Access Securepak Account Manager or call our Corporate Office at:

314-919-9114



***Thank You for
this
opportunity***

Jeff Harris

- Group Vice President

Max Hernandez

- KCN Regional Manager

Chris Rode

- Account Manager

Keefe Commissary Network

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